

CONVEYANCE AND CONTRIBUTION AGREEMENT

This Conveyance and Contribution Agreement (this "Agreement"), dated effective 7:00 a.m., Pacific Time, November 1, 1996 (the "Effective Date"), is from Santa Fe Energy Resources, Inc., a Delaware corporation ("Santa Fe"), having its principal office at 1616 S. Voss Road, Houston, Texas 77057 to Monterey Resources, Inc., a Delaware corporation ("Monterey"), having its principal office at 5201 Truxtun Avenue, Suite No. 100, Bakersfield, California 93309. Santa Fe and Monterey are hereinafter sometimes referred to individually as a "Party" and collectively as the "Parties."

RECITAL

Santa Fe is executing and delivering this Agreement to convey and contribute all property and other assets to Monterey that are held by Santa Fe in its Western Division in the State of California, other than certain excluded assets, as more fully described herein, and to perform certain other acts in connection with such conveyance and contribution. Monterey is executing this Agreement in performance of its obligations to assume certain liabilities of Santa Fe with respect to such property and assets and to undertake certain other obligations in connection with such conveyance and contribution.

NOW, THEREFORE, for valuable consideration, the Parties agree and grant as follows:

ARTICLE 1

DEFINITIONS

1.1 Defined Terms. The following definitions shall apply to the following terms when used in this Agreement:

"Agreement" is defined in the introductory paragraph of this instrument.

"Ancillary Agreements" means the Spin-Off Tax Indemnity Agreement, Corporate Services Agreement, Tax Allocation Agreement, and Registration Rights and Indemnification Agreement, all between Monterey and Santa Fe and dated of even date herewith.

"Assistance Costs" is defined in Section 3.11(d).

"Assumed Liabilities" means (a) the liabilities, obligations, and other matters of Santa Fe described in *Exhibit A*, and (b) all other liabilities, losses, costs, expenses, fines, penalties, payments, and other obligations of Santa Fe relating to or arising out of the Subject Assets or the

Business, whether accrued, contingent, known or unknown, and whether or not reflected on the books and records of Santa Fe on the date of this Agreement, excluding, however, (x) the Retained Liabilities and (y) obligations and liabilities of Santa Fe under the Ancillary Agreements.

“Business” means all of the business activities now or heretofore conducted by Santa Fe, its affiliates, and its and their predecessors in interest, in the Business Area, including the oil and gas exploration, development, and production business of Santa Fe and the businesses and operations identified in *Exhibit B*.

“Business Area” means the State of California and all lands lying in federal or state waters seaward of the west coast of the State of California.

“Excluded Assets” means the following assets:

- (a) The assets described in *Exhibit C*, and all rights, privileges and benefits pertaining to the assets described in *Exhibit C*;
- (b) All of Santa Fe’s right, title and interest in and to all non-proprietary seismic, geological, geophysical and similar data and computer software related to the Subject Assets, to the extent Santa Fe is contractually prohibited by unaffiliated third parties from transferring such data and software;
- (c) All proprietary computer software (including, without limitation, tapes, data, and program documentation) and other intellectual property that is used in, or useful to, Santa Fe’s retained businesses and operations;
- (d) Except as provided in Section 3.11, all of Santa Fe’s rights under all policies or agreements of insurance or indemnity; and
- (e) All cash, proceeds, income, or revenues accruing with respect to the other Excluded Assets described above.

“Insurance Administration” means, for each Policy, the accounting for premiums, retrospectively-rated premiums, defense costs, indemnity payments, deductibles, and retentions as appropriate under each such Policy, and the distribution of Insurance Proceeds under each such Policy.

“Insurance Proceeds” means, for each Policy, those monies (i) received by an insured from an insurance carrier or (ii) paid by an insurance carrier on behalf of the insured, in either case, net of any applicable premium adjustment, retrospectively-rated premium, deductible, retention, cost or reserve paid or held by or for the benefit of such insured.

“Insured Claims” means, for a Policy, those claims, losses, liabilities, costs, and expenses that, individually or in the aggregate, are covered by such Policy, whether or not subject to deductibles, co-insurance, uncollectability or retrospectively-rated premium adjustments, but only to the extent that such claims, losses, liabilities, costs, and expenses are within the limits of such Policy.

“IPO Date” means the closing date for the initial public offering of the common stock of Monterey.

“New Credit Facility” means the note agreement described in item 4 in *Exhibit A*.

“Olinda Property” is defined in Section 3.14.

“Party” and “Parties” are defined in the introductory paragraph of this Agreement.

“Perpetuities Period” means that period of time commencing on the date of this Agreement and ending 21 years after the death of the last to die of all descendants of Joseph P. Kennedy, father of our late President, John F. Kennedy, who are living on the date of this Agreement.

“Person” means an individual, a corporation, a partnership, a trust, an unincorporated organization, a governmental agency, an association or any other entity.

“Policies” means insurance policies and contracts of indemnity described in *Exhibit G*.

“Restriction” is defined in Section 3.5.

“Retained Liabilities” means (a) the liabilities, obligations, and matters of Santa Fe described in *Exhibit H* and (b) all losses, costs, expenses, fines, penalties, payments, and other obligations related to the Excluded Assets.

“Santa Fe Group” is defined in Section 3.4(a).

“Santa Fe Liabilities” means all liabilities, costs, expenses, fines, penalties, payments, and obligations of Santa Fe, other than the Assumed Liabilities.

“Series G Notes” means the senior notes described in item 3 in *Exhibit A*.

“Specific Conveyances” is defined in Section 3.6.

“Spin-Off” means the sale, distribution, or other disposition of the remaining shares of common stock held by Santa Fe after the IPO Date in a single transaction or series of transactions.

“Spin-Off Date” means the date on which the Spin-Off first occurs.

“Subject Assets” means all of the assets owned by Santa Fe in the Business Area or used or held for use by Santa Fe solely to conduct the Business, on the Effective Date, including the following assets:

(a) All right, title, and interest of Santa Fe in and to the plots, pieces, and parcels of land, surface estates, and fee interests of Santa Fe in the Business Area, including those described in *Exhibit D* (collectively, the “Lands”);

(b) All right, title, and interest of Santa Fe in and to (i) the estates created by the oil and gas leases (and the undivided interests therein), operating rights, mineral servitudes, and fee, mineral, royalty, and overriding interests of Santa Fe in the Business Area, including those described in, or created by the instruments described in, *Exhibit D* and (ii) the easements, permits, licenses, rights-of-way, surface leases, and other surface rights held by Santa Fe in the Business Area, including those described in, or created by the instruments described in, *Exhibit D* (collectively, the “Oil and Gas Interests”);

(c) All right, title, and interest of Santa Fe in all presently existing and valid unitization, pooling and communitization agreements, declarations and orders and production sharing agreements, and the properties covered and the units created thereby (including all units formed under orders, regulations, rules, or other official acts of any federal, state, or other governmental agency having jurisdiction), to the extent attributable to any of the Lands or the Oil and Gas Interests;

(d) All right, title, and interest of Santa Fe in existing and valid oil, casinghead gas and gas sales, purchase, exchange, transportation and processing contracts, operating agreements, joint venture agreements, partnership agreements, participation agreements, exploration agreements, farmin and farmout agreements, acreage contribution agreements, bidding agreements, option agreements, purchase and sale agreements, advance payment agreements, and all other contracts to the extent attributable to any of the Lands or the Oil and Gas Interests or the Business, including those contracts, agreements, and instruments set forth on *Exhibit E*;

(e) All right, title, and interest of Santa Fe in all improvements, wells, wellbores, casing, tubing, tanks, buildings, fixtures, compression and steam generation facilities, pipelines, gathering systems, lines and other appurtenances, easements and facilities, production platforms, drilling platforms, docks, shore facilities and bases, radio and microwave equipment (and associated licenses), and vessels to the extent located in, on or

under any of the Lands or Oil and Gas Interests or used or held for use as a part of the Business as presently conducted;

(f) All right, title, and interest of Santa Fe in all seismic, geological, geophysical and similar data related to the Subject Assets, all lease files, land files, legal files, well files, gas and oil sales contract files, division order files, abstracts, title opinions, land surveys, computer software (including tapes, data and program documentation), and all other books, records, files, and accounting records to the extent attributable to or used in the exploration, development, maintenance, or operation of any of the Subject Assets described in subsections (a), (b), (c), (d), and (e) above or the Business (collectively, the "Records");

(g) All of the following:

(i) All right, title, and interest of Santa Fe in and to all inventories of oil, gas and other petroleum products, tubular goods, supplies and tools, in each case to the extent produced from or held for use on the Subject Assets described in subsections (a), (b), (c), (d), and (e) above; and

(ii) All right, title, and interest of Santa Fe in all other personal property to the extent used or held for use in connection with the exploration, development, operation, or maintenance of the Subject Assets described in subsections (a), (b), (c), (d), and (e) above, including office furniture and equipment, computer hardware, leasehold interests therein;

(h) All right, title, and interest of Santa Fe in and to all governmental permits, licenses, franchises, registrations, and similar rights relating to the Business or the Subject Assets;

(i) All right, title, and interest of Santa Fe in and to all automobiles, trucks, trailers, other vehicles, and similar assets used in connection with the Business, including leasehold interests therein;

(j) Cash, cash equivalents, accounts receivable, goodwill, claims, causes of action and choses in action relating to the Subject Assets and the Business;

(k) All right, title, and interest of Santa Fe in and to the stock certificates, partnership interests, contract rights, and other intangible interests described in *Exhibit F*;

(l) All of Santa Fe's right, title, and interest in and to any patents, trade secrets, copyrights, or other intellectual property rights that relate solely to the Subject Assets; and

(m) All rights, benefits, privileges and appurtenances pertaining to any of the foregoing;

less and except, however, the Excluded Assets.

"Title Policy" is defined in Section 3.1.

"Uninsured Retentions" is defined in Section 3.11(f).

ARTICLE 2

CONTRIBUTION AND CONVEYANCE OF SUBJECT ASSETS TO MONTEREY

2.1 Contribution and Conveyance of Subject Assets. Santa Fe hereby grants, conveys, assigns, transfers, contributes, and delivers unto Monterey, its successors and assigns, forever, all of its right, title, and interest in and to the Subject Assets, subject, however, to the terms and conditions stated in this Agreement.

TO HAVE AND TO HOLD the above described interests in the Subject Assets unto Monterey, its successors and assigns, forever, subject, however, to the terms and conditions stated in this Agreement.

2.2 Assumption of Certain Liabilities by Monterey. Monterey hereby assumes and agrees to pay, perform, and discharge the Assumed Liabilities, to the full extent that Santa Fe has been or would be obligated to pay, perform, and discharge the Assumed Liabilities.

2.3 Reservation of Production Payment. Santa Fe hereby reserves and retains unto Santa Fe, its successors and assigns, as a production payment, a variable undivided interest in and to certain of the Subject Assets, as more particularly provided in the Reservation of Production Payment Interest attached hereto as *Exhibit I*.

ARTICLE 3

OTHER PROVISIONS

3.1 Real Property Covered by Title Policies. With respect to any Subject Asset that (a) constitutes real property or an interest in real property, and (b) is covered by a policy of title insurance that is in favor of, or otherwise provides protection in its capacity as owner to, Santa Fe (a "Title Policy"), the following provisions shall apply:

(i) Santa Fe binds itself and its successors and assigns to warrant and forever defend all and singular such Subject Asset to Monterey, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof: subject, however, to the matters set forth in paragraph (ii) below.

(ii) The contribution and conveyance of such Subject Asset made by Section 2.1 is made expressly subject to (A) those matters excluded or excepted from coverage under the applicable Title Policy and (B) all recorded and unrecorded liens, charges, encumbrances, contracts, agreements, instruments, obligations, defects and irregularities affecting such Subject Asset that have accrued or arisen since the effective date of the applicable Title Policy.

(iii) The sole remedy for breach of the warranty contained in this Section 3.1 shall be recovery of damages limited to the amount, if any, recovered by Monterey or Santa Fe under the applicable Title Policy.

(iv) Monterey hereby expressly waives and disclaims any remedies and damages, other than those provided for in paragraph (iii) above, that may be available under applicable law for breach of the warranty contained in this Section 3.1, including, without limitation, consequential damages, incidental damages, punitive damages, attorneys fees, and court costs.

(v) Santa Fe and Monterey acknowledge that the warranty contained in this Section 3.1 would not have been granted had Santa Fe not also been able to limit the remedies available for breach of the warranty. Santa Fe and Monterey therefore adopt the following procedure for ensuring that their mutual intent with regard to such warranty be respected. If a court having jurisdiction over a Subject Asset subject to this Section 3.1 should determine that the limitation and waiver of remedies provided for herein are, under applicable law with respect to such Subject Asset, unenforceable, then (A) the warranty provided for in this Section 3.1 shall automatically be waived, negated, and disclaimed for such Subject Asset; (B) such Subject Asset shall automatically be deemed to have been conveyed to Monterey subject to the matters set forth in Section 3.2 and in the manner described in Section 3.3; and (C) Monterey shall execute and deliver or cause to be delivered such instruments as may be necessary to evidence the effect of this paragraph (v).

3.2 Encumbrances. Except as provided in Section 3.1, the contributions and conveyances made by Section 2.1 are made expressly subject to all recorded and unrecorded liens, charges, encumbrances, contracts, agreements, instruments, obligations, defects, and irregularities affecting the Subject Assets.

3.3 Disclaimer of Warranties: Subrogation.

(a) No Warranty of Title. Except as provided in Section 3.1, the contributions and conveyances made by Section 2.1 are made without warranty of title, express, implied or statutory, and without recourse even as to the return of the purchase price, but with full substitution and subrogation of Monterey, and all persons claiming by, through and under Monterey, to the extent assignable, in and to all covenants and warranties by Santa Fe's predecessors in title and with full subrogation of all rights accruing under the statutes of limitation or prescription under the laws of various states in which the Subject Assets are located and all rights of actions of warranty against all former owners of the Subject Assets.

(b) Disclaimer. Monterey and Santa Fe agree that, to the extent required by applicable law to be operative, the disclaimers of certain warranties contained in this paragraph are "conspicuous" disclaimers for the purposes of any applicable law, rule, or order. Except as provided in Section 3.1, the Subject Assets are assigned to Monterey without recourse (even as to the return of the purchase price), covenant or warranty of any kind, express, implied, or statutory. WITHOUT LIMITATION OF THE GENERALITY OF THE IMMEDIATELY PRECEDING SENTENCE, SANTA FE HEREBY EXPRESSLY DISCLAIMS AND NEGATES ANY REPRESENTATION OR WARRANTY, EXPRESSED, IMPLIED, AT COMMON LAW, BY STATUTE OR OTHERWISE, RELATING TO (A) THE CONDITION OF THE SUBJECT ASSETS (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED OR EXPRESSED WARRANTY OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS), OR (B) ANY INFRINGEMENT BY SANTA FE OR ANY OF ITS AFFILIATES OF ANY PATENT OR PROPRIETARY RIGHT OF ANY THIRD PARTY; IT BEING THE INTENTION OF SANTA FE AND MONTEREY THAT THE SUBJECT ASSETS ARE TO BE CONVEYED IN THEIR PRESENT CONDITION AND STATE OF REPAIR.

(c) No Implied Warranties. Any covenants implied by statute or law by the use of the words "grant", "convey", "assign", "transfer", "contribute", or "deliver", or any other words used in this Agreement (except those in Section 3.1), are hereby expressly disclaimed, waived, and negated.

3.4 Indemnification.

(a) Monterey's Indemnity. MONTEREY AGREES TO RELEASE, PROTECT, DEFEND, INDEMNIFY, AND HOLD HARMLESS SANTA FE AND ITS OFFICERS, DIRECTORS, EMPLOYEES, AND REPRESENTATIVES (COLLECTIVELY, "SANTA FE GROUP") FROM AND AGAINST ALL CLAIMS, COSTS, EXPENSES, LIABILITIES (INCLUDING ATTORNEYS' FEES, COURT COSTS, AND OTHER COSTS OF SUIT), LOSSES, DAMAGES, PENALTIES, AND FINES RELATING TO OR ARISING OUT OF THE SUBJECT ASSETS OR THE ASSUMED LIABILITIES, WHETHER ATTRIBUTABLE TO

PERIODS BEFORE OR AFTER THE EFFECTIVE DATE, AND WHETHER OR NOT ATTRIBUTABLE TO THE SOLE, JOINT, AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY, OR OTHER FAULT OF SANTA FE, ITS PREDECESSORS, AND ITS AND THEIR EMPLOYEES, REPRESENTATIVES, OFFICERS, OR DIRECTORS.

(b) Santa Fe's Indemnity. SANTA FE AGREES TO RELEASE, PROTECT, DEFEND, INDEMNIFY, AND HOLD HARMLESS MONTEREY AND ITS OFFICERS, DIRECTORS, EMPLOYEES, AND REPRESENTATIVES FROM AND AGAINST ALL CLAIMS, COSTS, EXPENSES, LIABILITIES (INCLUDING ATTORNEYS' FEES, COURT COSTS, AND OTHER COSTS OF SUIT), LOSSES, DAMAGES, PENALTIES, AND FINES RELATING TO OR ARISING OUT OF THE EXCLUDED ASSETS, THE RETAINED LIABILITIES, OR THE SANTA FE LIABILITIES, WHETHER ATTRIBUTABLE TO PERIODS BEFORE OR AFTER THE EFFECTIVE DATE, AND WHETHER OR NOT ATTRIBUTABLE TO THE SOLE, JOINT, AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY, OR OTHER FAULT OF MONTEREY AND ITS EMPLOYEES, REPRESENTATIVES, OFFICERS, OR DIRECTORS.

3.5 Restrictions on Conveyance. Santa Fe and Monterey acknowledge that (a) there may exist certain prohibitions against the conveyance or assignment of certain of the Subject Assets without the consent of third parties (including governmental agencies); and (b) certain of the Subject Assets may be incapable of being conveyed or assigned to Monterey prior to the execution, acknowledgment, and/or delivery of Specific Conveyances. Both types of impediments to conveyance or assignment are referred to herein as a "Restriction." Any provisions of this Agreement to the contrary notwithstanding, the following provisions shall apply to all Subject Assets burdened by a Restriction:

(i) The conveyance or assignment to Monterey shall not become effective unless and until such time as the Restriction is satisfied.

(ii) Santa Fe and Monterey shall each use their reasonable efforts to cause the Restriction to be satisfied.

(iii) When and if the Restriction is satisfied, the conveyance or assignment to Monterey shall become automatically effective as to such Subject Asset as of the date of this Agreement.

(iv) If (A) any of the Subject Assets burdened by a Restriction constitutes real property or an interest in real property, and (B) such Restriction is not satisfied within the Perpetuities Period, then the conveyance or assignment to Monterey of such Subject Asset shall be null and void.

3.6 Further Assurances. Without further consideration, Santa Fe and Monterey agree to take all such further actions and execute, acknowledge, and deliver all such further documents that are necessary or useful in carrying out the purposes of this Agreement. So long as not prohibited by applicable laws so to do:

(a) Santa Fe agrees to execute, acknowledge, and deliver to Monterey and, if applicable, record in the official property records of the applicable jurisdiction, all such additional deeds, conveyances, assignments, bills of sale, motor vehicle titles, and other documents (the "Specific Conveyances"), and to do all such further acts and things as may be necessary more fully and effectively to grant, convey, assign, transfer, contribute, and deliver to Monterey the interests in the Subject Assets contributed and conveyed by this Agreement or intended so to be. The Specific Conveyances (i) shall evidence and perfect the conveyance made by this Agreement and shall not constitute any additional conveyance of the Subject Assets or interests therein; (ii) are not intended to modify, and shall not modify, any of the terms, covenants and conditions herein set forth; and (iii) are not intended to create and shall not create any additional covenants or warranties of or by Santa Fe to Monterey. To the extent that the Specific Conveyances purport to create any additional covenants or warranties, Monterey hereby expressly waives such additional covenants or warranties.

(b) Santa Fe agrees to execute, acknowledge, and deliver to Monterey and, if applicable, record in the official property records of the applicable jurisdiction, substantially all of the Specific Conveyances within 120 days after the date of this Agreement.

(c) Santa Fe represents to Monterey that all Specific Conveyances for Subject Assets that constitute real property or interests in real property shall conform as to form in all material respects with all applicable laws of the states in which such Subject Assets are located governing the conveyance of such assets, including all applicable recording, filing and registration laws and regulations.

(d) Monterey agrees to execute and deliver or cause to be delivered such other instruments as may be reasonably required to assume and take responsibility more effectively for the Assumed Liabilities and the other obligations and liabilities that Monterey has assumed or undertaken pursuant to this Agreement.

3.7 Assets Intended to be Conveyed. Santa Fe and Monterey acknowledge that the assets intended to be conveyed by this Agreement are all of the assets and properties held by the Western Division of Santa Fe in the Business Area or used or held for use by Santa Fe solely to conduct the Business, on the Effective Date, other than the Excluded Assets. If this Agreement erroneously fails to convey all such assets and properties, or erroneously conveys an asset other than such assets or properties, Santa Fe and Monterey shall execute such corrective documents and take such other actions as are necessary to correct the error.

3.8 Property Taxes and Transfer Fees. All (i) sales, use, recording, and other similar property transfer fees and charges incurred in transferring the Subject Assets to Monterey and (ii) ad valorem and property taxes for the Subject Assets shall be the responsibility of and paid by Monterey.

3.9 Finance Matters.

(a) Cash Management. Monterey will establish its own cash management system which is to be separate and distinct from the cash management system maintained by Santa Fe, and such system will be operational prior to or shortly after the Effective Date. Santa Fe further acknowledges and agrees that after Monterey's cash management system is established and operational, Santa Fe shall transfer to Monterey all funds, if any, in Santa Fe's cash management system attributable to the Subject Assets or the Business, which transfer shall be effected by wire transfer of immediately available funds to such account as Monterey may designate. Santa Fe shall transfer such funds to Monterey upon notification from Monterey that its cash management system is operational together with wire transfer instructions. Any funds received in Santa Fe's cash management system subsequent to such transfer that are attributable to the Business shall be promptly (but in no event more than 30 days after receipt) delivered to Monterey by Santa Fe, and any funds received in Monterey's cash management system subsequent to such transfer that are attributable to Santa Fe or its other subsidiaries shall be promptly (but in no event more than 30 days after receipt) delivered to Santa Fe by Monterey. The Parties shall make appropriate adjustments for late deposits, checks returned for not sufficient funds and other post-Effective Date transactions that occur after the transfer as shall be reasonable under the circumstances consistent with the purpose and intent of this Agreement.

(b) Settlement of Intercompany Accounts. The Parties agree that the net balance of all intercompany accounts owed by Santa Fe to Monterey, or owed by Monterey to Santa Fe, in each case as of the Effective Date, shall be paid by Santa Fe or Monterey, as appropriate, as promptly as reasonably practicable after the Effective Date (but in no event more than 30 days after receipt). All transactions contemplated in this Section 3.9 shall be subject to audit by the Parties, and any dispute with respect to any such transactions thereunder shall be resolved by Price Waterhouse LLP (or another nationally recognized accounting firm acceptable to the Parties) whose decision shall be final and nonappealable.

3.11 Insurance Matters.

(a) Existing Surety Bonds. Santa Fe shall continue to maintain, and not cancel, those surety and indemnity bonds currently maintained by or for the benefit of the Subject Assets until the earlier of (i) the expiration or renewal date therefor next following the IPO Date or (ii) one year after the IPO Date. Santa Fe shall give Monterey at least 15 days' advance notice of the expiration or renewal of each such surety and indemnity bond. If Monterey decides not to renew any bond, Monterey agrees to provide appropriate documentation to Santa Fe to allow Santa Fe to cancel

such bonds. Monterey shall indemnify and hold harmless Santa Fe from and against any expense or loss incurred by Santa Fe after the IPO Date as a result of maintaining such surety bonds. After the IPO Date, Monterey shall be responsible for obtaining its own surety and indemnity bonds as may be necessary for its operations, subject to the preceding sentences with respect to existing bonds. Santa Fe shall have the right at any time or from time to time, in Santa Fe's sole discretion, to require that Monterey provide collateral security in favor of Santa Fe of the same kind that any surety providing a bond or indemnity agreement for the benefit of Monterey advised Santa Fe it will or might require under any applicable indemnity agreement or bond.

(b) Policies and Rights Prior to Spin-Off. Prior to the Spin-Off Date, Monterey shall be entitled to any and all rights of an insured party under each of the Policies, specifically including rights of indemnity and the right to be defended by or at the expense of the insurer, with respect to all injuries, losses, liabilities, damages, and expenses incurred or claimed to have been incurred prior to the Spin-Off Date (to the extent covered) by any party in connection with the conduct of the Business. Nothing in this clause shall be deemed to constitute (or to reflect) the assignment of the Policies, or any of them, to Monterey. From and after the Spin-Off Date (or earlier upon mutual agreement), Monterey agrees that it shall be responsible for obtaining and maintaining, on such terms as Monterey determines to be appropriate, insurance policies for injuries, claims, liabilities, losses, costs, and expenses arising with respect to occurrences after the Spin-Off Date.

(c) Administration and Costs. Santa Fe shall be responsible for (i) the Insurance Administration of the Policies, (ii) the processing and management of claims under the Policies, and (iii) the collection and distribution of Insurance Proceeds under the Policies, except, in each case, as provided in Section 3.11(d) below. Monterey shall be required to give notice of any claim or potential claim to Santa Fe in sufficient time for Santa Fe to notify the insurance carrier of the Policy. For the period prior to the Spin-Off Date, Monterey shall pay Santa Fe the portion of the cost of the Policies that is properly allocable to the Assumed Liabilities and the Subject Assets. Monterey shall pay such amounts within 15 days of receiving Santa Fe's invoice.

(d) Claims After the Spin-Off Date. The Policies will automatically cease and terminate with respect to the Business on the Spin-Off Date for any occurrences after the Spin-Off Date. For each Insured Claim asserted or arising after the Spin-Off Date that relates to occurrences prior to the Spin-Off Date in connection with the Business, Santa Fe shall at the time such claim is asserted be deemed to transfer, without need of further documentation, to Monterey any and all rights of an insured party under the applicable Policy with respect to such Insured Claim, specifically including rights of indemnity and the right to be defended by or at the expense of the insurer. The preceding sentence shall not, however, be deemed to constitute (or to reflect) the assignment of any of the Policies to Monterey. Monterey shall have the right to assert a claim under a Policy relating to an occurrence prior to the Spin-Off Date in accordance with the terms of such Policy. Santa Fe agrees not to amend, cancel, or terminate any Policy in a manner that materially and adversely affects Monterey's right to assert a claim thereunder that relates to an occurrence prior to the Spin-Off Date. Additionally, after the Spin-Off Date, Santa Fe shall, to the extent reasonably practicable,

assist Monterey in the recovery of any amounts to which Monterey is validly entitled under any of the Policies on account of Insured Claims. Notwithstanding the foregoing, Santa Fe does not assume any liability and shall not incur any liability to Monterey or its affiliates in agreeing to transfer its rights under any Policy or to provide such action or assistance and shall promptly be advanced, or reimbursed, if applicable, for all reasonable costs and expenses incurred after the Spin-Off Date in transferring such rights or in providing such action or assistance requested by Monterey ("Assistance Costs"). Assistance Costs include employee salaries and out-of-pocket expenses, attorneys' fees, adjustor fees, surveyor fees, brokerage fees, travel expenses, communication expenses and other similar costs and expenses incurred.

(e) Insurance Application to Assumed Liabilities. If and to the extent Santa Fe receives Insurance Proceeds that relate to Assumed Liabilities asserted against any member of the Santa Fe Group, Santa Fe may directly apply such Insurance Proceeds to such Assumed Liabilities without distribution to Monterey. If and to the extent Santa Fe is paid by, or reimbursed from, the Policies for such Assumed Liabilities, Monterey shall be relieved of its indemnification obligations that would otherwise apply under Sections 3.4(a) for such Assumed Liabilities, provided, that, this subsection (e) shall not apply to any amounts attributable to Uninsured Retentions or Assistance Costs for which Monterey shall remain obligated to pay in full.

(f) Uninsured Retentions. Monterey recognizes that the Policies are subject to various deductibles, self-insured retentions, retentions under retrospective premium rating plans and similar charges, which may not be reinsured by or collectible from commercial insurance markets. All amounts incurred or payable by Santa Fe or its affiliates, attributable to such deductibles, retentions, plans or non-reinsured or non-collectible insurance, after giving effect to maximum premium provisions and stop loss provisions on a first come first served basis ("Uninsured Retentions") shall not be considered as insured losses or claims, or insurance proceeds, within the meaning of this Agreement and notwithstanding anything to the contrary shall be and remain the obligation of Monterey to the extent arising out of the Subject Assets or the Assumed Liabilities. Monterey shall reimburse Santa Fe for all amounts incurred or paid by Santa Fe or its affiliates for such Uninsured Retentions to the extent arising out of Assumed Liabilities.

3.12 Delivery of Release. At the closing of the initial public offering of Monterey, Monterey shall execute and deliver to Santa Fe a release (in a form acceptable to Santa Fe) that releases any and all rights Monterey may have to seek contribution or reimbursement for amounts borrowed by Santa Fe under the \$75 million Credit Facility between Santa Fe and Monterey, as borrowers, and The Chase Manhattan Bank, as agent for the lenders that are parties to the Credit Facility.

3.13 Transaction Costs. Monterey shall pay and reimburse Santa Fe for all out-of-pocket costs and expenses incurred by Santa Fe in connection with the conveyance of the Subject Assets to Monterey, the initial public offering of Monterey, and the Spin-Off, including those incurred for (i) the consent solicitation of the holders of Santa Fe's 11% Senior Subordinated

Debentures due 2004 in connection with certain amendments to such debentures, (ii) the exchange of the Series G Notes for the New Credit Facility, and (iii) pursuit by Santa Fe of a ruling from the Internal Revenue Service regarding the tax-free nature of the Spin-Off, including, in each case, all legal, accounting, printing, underwriting, engraving, consulting, and other third party charges and expenses.

3.14 Olinda Property.

(a) Purchase and Sale Agreement. Santa Fe is a party to that certain Agreement for Purchase and Sale of Real Property and Escrow Instructions with CWC, Inc., a California corporation, dba SUNCAL COMPANIES ("Buyer"), dated August 19, 1996, as amended (the "Olinda Purchase Agreement"), pursuant to which Buyer agreed to buy and Santa Fe agreed to sell certain real property and other rights and interests in Orange County, California (the "Olinda Property") as more particularly described in the Olinda Purchase Agreement.

(b) Transfer of Notes to Monterey. If the Close of Escrow (as defined in the Olinda Purchase Agreement) occurs on or before August 1, 1997, Monterey shall purchase, and Santa Fe shall sell, any promissory notes given by the Buyer as consideration for purchase of the Olinda Property (collectively, the "Notes") along with all liens, security interests, and other rights securing repayment of the Notes by Buyer (collectively, the "Property Liens"), for a purchase price equal to the aggregate face value of the Notes (the "Note Purchase Price") if the total face value of the Notes does not exceed \$10,000,000. The closing of the purchase and sale of the Notes shall occur in the offices of Santa Fe within 10 business days of the date of the Close of Escrow. At the closing, Monterey shall wire transfer the Note Purchase Price to Santa Fe in immediately available funds and assume all obligations in connection with the Olinda Property and the Notes, the Property Liens, and Santa Fe's remaining rights under the Olinda Purchase Agreement shall be assigned to Monterey without any warranties or representations by Santa Fe. On and after such closing, the defined term "Subject Assets" shall be deemed to include, and the defined term "Excluded Assets" shall be deemed to exclude, the Olinda Property for all purposes under this Agreement.

(c) Transfer of Property to Monterey. If the Close of Escrow fails to occur on or before August 1, 1997, Monterey shall purchase, and Santa Fe shall sell, the Olinda Property for a purchase price of \$23,000,000 (the "Property Purchase Price") on the terms provided in this Agreement. The closing of the purchase and sale of the Olinda Property shall occur in the offices of Santa Fe on or before August 15, 1997. At the closing, Monterey shall wire transfer the Property Purchase Price to Santa Fe in immediately available funds and the Olinda Property shall be conveyed and transferred to Monterey by a Specific Conveyance as provided herein and Santa Fe's remaining rights under the Olinda Purchase Agreement shall be assigned to Monterey. On and after such closing, the defined term "Subject Assets" shall be deemed to include, and the defined term "Excluded Assets" shall be deemed to exclude, the Olinda Property for all purposes under this Agreement.

3.15 Successors and Assigns. This Agreement shall bind and inure to the benefit of the parties hereto and their respective successors and assigns. Nothing in this Agreement is intended to confer upon any other person any benefits, rights, or remedies.

3.16 Articles, Sections and Exhibits. Except to the extent otherwise stated in this Agreement, references to "Articles" and "Sections" are to Articles and Sections of this Agreement, and references to "Exhibits" are to Exhibits attached to this Agreement, which are made parts hereof for all purposes.

3.17 Governing Law. THIS AGREEMENT AND THE LEGAL RELATIONS BETWEEN THE PARTIES HERETO SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CALIFORNIA WITHOUT REGARD TO THE PRINCIPLES OF CONFLICTS OF LAWS THAT MIGHT REQUIRE OR PERMIT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

3.18 Deed; Bill of Sale; Assignment. To the extent required by applicable law, this Agreement shall also constitute a "deed," "bill of sale" or "assignment" of the Subject Assets.

3.19 Construction of Agreement. In construing this Agreement, the following principles shall be followed:

(i) no consideration shall be given to the captions of the articles, sections, subsections, or clauses, which are inserted for convenience in locating the provisions of this Agreement and not as an aid in its construction;

(ii) no consideration shall be given to the fact or presumption that one party had a greater or lesser hand in drafting this Agreement;

(iii) the word "includes" and its syntactical variants means "includes, but is not limited to" and corresponding syntactical variant expressions;

(iv) a defined term has its defined meaning throughout this Agreement and the exhibits, regardless of whether it appears before or after the place in this Agreement or the exhibits where it is defined;

(v) the plural shall be deemed to include the singular, and vice versa; and

(vi) each exhibit, attachment, and schedule to this Agreement is a part of this Agreement, but if there is any conflict or inconsistency between the main body of this Agreement and any exhibit, attachment, or schedule, the provisions of the main body of this Agreement shall prevail.

3.20 Counterparts. This Agreement may be executed in any number of counterparts, and each counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute but one instrument.

3.21 Survival. This Agreement shall survive the execution and delivery of the Specific Conveyances.

3.22 Integrated Agreement. This Agreement is the final, complete, and exclusive expression of the agreements of the Parties with respect to the matters covered by this Agreement.

3.23 Severability. If any provision of this Agreement is held to be unenforceable or invalid, the remaining provisions of this Agreement shall remain in full force and effect.

EXECUTED by the Parties as of the Effective Date.

Santa Fe:

SANTA FE ENERGY RESOURCES, INC.

By: 

Name: J. L. Bridwell

Title: Sr. Vice President, Exploration

Monterey:

MONTEREY RESOURCES, INC.

By: 

Name: R. Graham Whaling

Title: Chief Executive Officer

Exhibit E

Contracts

1. *Olinda Property.*

(a) *Olinda Purchase Agreement.* All rights and obligations of Santa Fe under the Olinda Purchase Agreement (as defined in Section 3.14 of this Agreement), except as follows:

(i) Santa Fe is not assigning, and is retaining, the right to receive payment of the Purchase Price and all deposits under the Olinda Purchase Agreement, and the Mitigation Payments as defined in Section 12.2.1 of the Olinda Purchase Agreement, other than Reimbursement Monies (as defined in the Olinda Purchase Agreement), which will be paid to Monterey under the Notes to be purchased by Monterey as provided in Section 3.14 of this Agreement.

(ii) Since Santa Fe shall retain title to the Property (as defined in the Olinda Purchase Agreement), Monterey shall not assume the obligation to convey the Property to the Buyer or to perform other similar obligations of Santa Fe under the Olinda Purchase Agreement that only Santa Fe, as owner of the Property, can perform.

(b) School Impact Mitigation Agreement between Santa Fe and Brea Olinda School District, dated September 1, 1995.

(c) School Site Transfer Agreement between Santa Fe and Brea Olinda School District, dated September 1, 1995.

(d) Development Agreement between Santa Fe and the City of Brea, dated October 15, 1995.

(e) Indemnity and Defense Agreement between Santa Fe and the City of Brea, dated October 15, 1995.

2. *Other Contracts.* The contracts, agreements, and other instruments listed in the schedules attached behind this page.

to
CONVEYANCE AND CONTRIBUTION AGREEMENT FROM SANTA FE ENERGY RESOURCES, INC. TO MONTEREY RESOURCES, INC.

ST. & CO.	AREA/PROSPECT NAME	CONF. #	CONF. DATE	CONTRACT PARTIES	TYPE CONTRACT
CA. KERN	BELRIDGE - 252; BELRIDGE 80 - CA-252	2688-C 2688-D (CA)	07/31/89	BELRIDGE WATER STORAGE DISTRICT AND MISSION OPERATING PARTNERSHIP, L.P.	AGREEMENT ASSUMING AGMT FOR OPERATION OF INDUSTRIAL WATER TRANSPORTATION SYSTEM
CA. KERN	BELRIDGE - 252; BELRIDGE 80 - CA-252	2688-C	07/29/83	UNION OIL COMPANY OF CALIFORNIA AND PETRO-LEWIS CORPORATION	AGREEMENT re Union entering agmt. to supply water
CA KERN	BELRIDGE - 804 BELRIDGE 80 - CA-252	2688-E	11/04/87	UNION OIL COMPANY OF CALIFORNIA TO SANTA FE ENERGY COMPANY	REVOCABLE LICENSE TO USE SURPLUS PRODUCED WATER
CA KERN	BELRIDGE - 804 BELRIDGE 80 - CA-252	2688-F	01/02/89 EFF 01/01/90 AMEND 05/13/91	BELRIDGE WATER STORAGE DISTRICT AND SHELL CALIFORNIA PRODUCTION INC., ET AL	INDUSTRIAL WATER SUPPLY CONTRACT
CA KERN	BELRIDGE - 804 BELRIDGE 80 - CA-252	2688-H	10/01/83	GETTY OIL COMPANY AND PETRO-LEWIS CORPORATION	NOX MONITORING
CA KERN	BELRIDGE - 804 BELRIDGE 80 - CA-252	2688-L	02/05/81	BELRIDGE WATER STORAGE DISTRICT AND SOUTH BELRIDGE LIMITED PARTNERSHIP BY SANTA FE ENERGY RESOURCES, INC.	AGREEMENT ASSUMING INDUSTRIAL WATER SUPPLY CONTRACT & RELATED CONTRACTS
CA KERN	BELRIDGE - 804 BELRIDGE 80 - CA-252	2688-O	02/05/85	SHELL CALIFORNIA PRODUCTION INC., AND PACIFIC GAS AND ELECTRIC COMPANY AND PETRO-LEWIS, ET AL	METERING AGMT
CA KERN	BELRIDGE - 804 BELRIDGE 80 - CA-252	617703-F	10/08/80	UNION OIL COMPANY OF CALIFORNIA AND PETRO-LEWIS CORPORATION	GAS PROCESSING AGREEMENT
CA. KERN	BELRIDGE, S.	PR-02-00-000051 CA-LEG.	7/21/87	SANTA FE ENERGY COMPANY, ET AL	ENERGY POWER PURCHASE AGREEMENT (AS AVAIL. CAPACITY ON ENERGY POWER PURCHASE AGREEMENT)
CA. KERN	BELRIDGE, S.	PR-05-01 CA LEG.	10/18/85	FEDERAL COMMUNICATIONS COMMISSION AND SANTA FE ENERGY RESOURCES, INC.	FCC LICENSE AGREEMENT # 9508507624
CA. KERN	BELRIDGE, S.	PR-05-01 CA LEG.	11/7/85	FEDERAL COMMUNICATIONS COMMISSION AND SANTA FE ENERGY RESOURCES, INC.	FCC LICENSE AGREEMENT #95087119807
CA. KERN	BELRIDGE, S.	PR-02-00-000980 CA-LEG.	4/21/87	SANTA FE ENERGY COMPANY, BELRIDGE COGENERATION PARTNERS, LTD., BY UNIVERSITY COGENERATIONS, INC., GENERAL PARTNER (BCPL)	LETTER OF AGREEMENT
CA. KERN	BELRIDGE, S.	PR-02-00-000036 CA-LEG.	8/28/85	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	INSTALLATION AGREEMENT FOR ALLOCATION OF SPECIAL FACILITIES
CA. KERN	BELRIDGE, S.	PR-02-00-000036 CA-LEG.	8/28/85	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	INSTALLATION AGREEMENT FOR ALLOCATION OF SPECIAL FACILITIES.
CA. KERN	BELRIDGE, S.	PR-02-00-000036 CA-LEG.		PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	ALLOCATION OF SPECIAL FACILITIES
CA. KERN	BELRIDGE, S.	PR-02-00-000036 CA-LEG.	8/28/87	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	ASSIGNMENT AGREEMENT
CA. KERN	BELRIDGE, S.	PR-02-00-000036 CA-LEG.	8/28/85	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	ELECTRIC SERVICE AGREEMENT General Service - Time Metered
CA. KERN	BELRIDGE, S.	PR-02-00-000036 CA-LEG.	9/18/88	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	ELECTRIC SERVICE AGREEMENT General Service - Time Metered
CA. KERN	BELRIDGE, S.	PR-02-00-000036 CA-LEG.	12/21/88 & 9/22/87	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	INTERRUPTIBLE ELECTRIC SERVICE; SUPPLEMENTAL AGREEMENT; ELECTRIC SERVICE AGREEMENT; General Service - time Metered - update.
CA. KERN	BELRIDGE, S.	PR-02-00-000036 CA-LEG.	8/28/87	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	INTERRUPTIBLE ELECTRIC SERVICE - SUPPLEMENTAL AGREEMENT for Optional Curtailment of interruptible electric service
CA. KERN	BELRIDGE, S	PR-02-00-000036 CA-LEG.	9/18/88	PACIFIC GAS & ELECTRIC COMPANY AND PETRO LEWIS	INTERRUPTIBLE ELECTRIC SERVICE; SUPPLEMENTAL AGREEMENT for Optional Curtailable or Interruptible Electric Service Rate Schedule A-21 and A-22
CA. KERN	BELRIDGE, S.	PR-02-00-000036 CA-LEG.	9/22/87	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	INTERRUPTIBLE ELECTRIC SERVICE; SUPPLEMENTAL AGMT. for Optional Curtailable or Interruptible Elec Service
CA. KERN	BELRIDGE, S.	CA 4180 CA-LAND	10/31/80	THE PRUDENTIAL INSURANCE CO. OF AMERICA AND SANTA FE ENERGY RESOURCES, INC.	SOUTH BELRIDGE LIMITED PARTNERSHIP
CA. KERN	BELRIDGE, S	PR-02 CA-LEG.	7/1/84	BELRIDGE WATER STORAGE DISTRICT AND SHELL OIL COMPANY, ET AL	WATER TRANSPORTATION - DESIGN AND CONSTRUCTION AGREEMENT
CA. KERN	BELRIDGE, S. (PATRINO FEE)	PR-02-00-000036 CA-LEG.	8/25/88	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	INTERRUPTIBLE ELECTRIC SERVICE - SUPPLEMENTAL AGREEMENT for Optional Curtailment of interruptible electric service
CA. KERN	BELRIDGE, S./MIDWAY	PR-02 CA-LEG.	10/17/81	WEST KERN WATER DISTRICT AND SANTA FE ENERGY RESOURCES, INC.	WATER SERVICE - Memorandum of Understanding
	BUENA VISTA	PR-02-00-000007 CA-LEG.			BV WATER STORAGE AGREEMENT
CA. FRESNO	COALINGA	PR-02-00-000031 CA-LEG.	8/23/88	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	INTERRUPTIBLE ELECTRIC SERVICE; SUPPLEMENTAL AGREEMENT
CA. FRESNO	COALINGA	SFER 0388 CA-LEG.	9/13/85	CHEVRON USA INC. AND SANTA FE ENERGY RESOURCES, INC.	POWER PURCHASE AGREEMENT
CA FRESNO	COALINGA - 811 COALINGA WEST - CA-121	617700-B	08/22/83	SHELL CALIFORNIA PRODUCTION INC. (NOW CHEVRON) AND THE SUPERIOR OIL COMPANY (NOW SFER)	LICENSE TO DISPOSE OF WASTE WATER
CA FRESNO	COALINGA - 811 COALINGA WEST - CA-121	617704	01/08/87 EFF 01/01/87	SANTA FE ENERGY CO. AND CHEVRON USA INC	FUEL SUBSTITUTION AGMT

to
CONVEYANCE AND CONTRIBUTION AGREEMENT FROM SANTA FE ENERGY RESOURCES, INC. TO MONTEREY RESOURCES, INC.

ST. & CO.	AREA/PROSPECT NAME	CONT. #	CONT. DATE	CONTRACT PARTIES	TYPE CONTRACT
CA FRESNO	COALINGA - 811 COALINGA WEST - CA-121	617705	01/08/87 EFF 01/01/87; ACCPD 1/27/87	SANTA FE ENERGY CO. AND CHEVRON USA INC	FUEL SUBSTITUTION AGMT
CA FRESNO	COALINGA - 811 COALINGA WEST - CA-121	4591-A	07/12/81	COALINGA COGENERATION CO. AND SANTA FE ENERGY RESOURCES, INC.	STEAM PURCHASE & SALE AGMT.
CA FRESNO	COALINGA - 811 COALINGA WEST - CA-121	4591-B	07/12/81	COALINGA COGENERATION CO. AND SANTA FE ENERGY RESOURCES, INC.	FEEDWATER SUPPLY AGMT.
CA FRESNO	COALINGA - 811 COALINGA WEST - CA-121	4591-C	07/12/81	SANTA FE ENERGY RESOURCES, INC., SELLER, AND COALINGA COGENERATION COMPANY, BUYER	AGMT. FOR PURCHASE & SALE OF EMISSION OFFSETS
CA FRESNO	COALINGA - 811 COALINGA WEST - CA-121	4591-E; (CA file #4858-A)	08/25/85	COALINGA COGENERATION CO. AND SANTA FE ENERGY RESOURCES, INC.	WATER FILTRATION & SOFTENING
CA FRESNO	COALINGA - 811 COALINGA WEST - CA-121	4841-A	04/25/85 EFF 05/01/85	SANTA FE ENERGY RESOURCES, INC. AND CHEVRON USA PRODUCTION CO.	COALINGA WATER SOFTENING AGMT.
CA FRESNO	COALINGA - 811 COALINGA WEST - CA-121	4858	08/01/84	SANTA FE ENERGY RESOURCES, INC. AND CENTRAL CALIFORNIA OIL CO.	SURPLUS WATER AGMT
CA. KERN	KERN FRONT	PR-08-01 CA LEG.	8/1/86	FEDERAL COMMUNICATIONS COMMISSION AND SANTA FE ENERGY RESOURCES, INC.	FCC LICENSE AGREEMENT #9505R65489
CA. KERN	KERN RIVER	PR-02-00-000033 CA-LEG.	not filled out	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	GAS SERVICE AS SERVICE AGREEMENT - NATURAL
CA. KERN	KERN RIVER	PR-21 Operations CA-LEG.		PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	AGREEMENT for maximum demand adjustment for energy efficiency measures
CA. KERN	KERN RIVER	PR-02-00-000033 CA-LEG.	7/18/88	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	EASEMENT DEED
CA. KERN	KERN RIVER	PR-02-00-000033 CA-LEG.	5/28/88	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	ABANDONMENT of 4 dist poles for set of SF KR oilfield transmission
CA. KERN	KERN RIVER	PR-02-00-000033 CA-LEG.	8/15/88	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	AGREEMENT COVERING POLE CONTACTS
CA. KERN	KERN RIVER	PR-02-00-000033 CA-LEG.	3/5/88	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	CONTACT PERMIT
CA. KERN	KERN RIVER	PR-02-00-000033 CA-LEG.	5/8/83, EFF 8/1/83	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	NATURAL GAS SERVICE AGREEMENT
CA. KERN	KERN RIVER	PR-02-00-000033 CA-LEG.		PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	INTERRUPTIBLE ELECTRIC SERVICE - SUPPLEMENTAL AGREEMENT for Optional Non-Firm Elec Service
CA. KERN	KERN RIVER	PR-02-00-000033 CA-LEG.	8/22/89	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	INTERRUPTIBLE ELECTRIC SERVICE - SUPPLEMENTAL AGREEMENT for Optional Curtailment of Interruptible electric service
CA. KERN	KERN RIVER	PR-02-00-000033 CA-LEG.	5/21/88	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	INTERRUPTIBLE ELECTRIC SERVICE; SUPPLEMENTAL AGREEMENT for Optional Non-Firm Elec Service
CA. KERN	KERN RIVER	PR-02-00-000033 CA-LEG.	7/22/88	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	TRANSMISSION LEAD OPERATING AGREEMENT
CA. KERN	KERN RIVER	PR-02-00-000040 CA-LEG.	10/12/87	SANTA FE ENERGY COMPANY TO SHELL WESTERN E&P INC.	RIGHT-OF-WAY AGREEMENT
CA. KERN	KERN RIVER	PR-02 CA-LEG.	5/10/86	CHEVRON USA, INC. AND SANTA FE ENERGY RESOURCES, INC.	SHARED FACILITIES AGREEMENT
CA. KERN	KERN RIVER (MAY PERTAIN TO OTHER FIELDS)	PR-02 CA-LEG.	8/14/82	MOJAVE PIPELINE AND SANTA FE ENERGY RESOURCES, INC., ET AL	SECURITY AGREEMENT; CONSENT AGREEMENT; CONSENT TO SECURITY AGREEMENT
CA KERN	KERN RIVER - 822 KERN RIVER - CA-106	617548	07/13/87	TENNECO WEST, INC. AND SANTA FE ENERGY COMPANY	PRODUCED WATER DISPOSAL LICENSE AGREEMENT
CA. KERN	MIDWAY	PR-02-00-000048 CA-LEG.	2/8/83	TRIGON RESOURCES, INC. (SELLER) AND SANTA FE ENERGY RESOURCES (BUYER)	
CA. KERN	MIDWAY	PR-05-01 CA LEG.	10/13/83	FEDERAL COMMUNICATIONS COMMISSION AND SANTA FE ENERGY RESOURCES, INC.	FCC LICENSE AGREEMENT #008585-350
CA. KERN	MIDWAY	PR-05-01 CA LEG.	5/14/82	FEDERAL COMMUNICATIONS COMMISSION AND SANTA FE ENERGY RESOURCES, INC.	FCC LICENSE AGREEMENT #9203338818
CA FRESNO	MIDWAY	006 CA-LEG.	12/1/82	TEXACO, INC., BEN M. FITZGERALD, ET UX AND SANTA FE ENERGY COMPANY	FUEL SUBSTITUTION AGREEMENT (Amber Lease) as amd 12/21/89
CA. KERN	MIDWAY	PR-02-00-000034 CA-LEG.	9/11/88	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	ELECTRIC SERVICE AGREEMENT General Service - Time Metered
CA. KERN	MIDWAY	PR-02-00-000034 CA-LEG.		PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	INTERRUPTIBLE ELECTRIC SERVICE - SUPPLEMENTAL AGREEMENT for Optional Curtailment of Interruptible electric service
CA. KERN	MIDWAY	PR-02-02-000028 CA-LEG.	1/22/80	ORYX ENERGY CO. AND SANTA FE ENERGY RESOURCES, INC.	POWER POLE CO-OP AGREEMENT
CA. KERN	MIDWAY	PR-02-00-000017 CA-LEG.	7/10/82	M. H. WHITTIER AND SANTA FE ENERGY RESOURCES, INC. (ASSIGNED TO MCFARLAND ENERGY)	PRODUCED WATER AGREEMENT
CA. KERN	MIDWAY	PR-02-00-000018 CA-LEG.	7/10/82	MCFARLAND ENERGY CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	PRODUCED WATER AGREEMENT
CA. KERN	MIDWAY	PR-02-00-000042 CA-LEG.	5/6/88	SANTA FE ENERGY COMPANY TO SO CAL GAS COMPANY	RIGHT-OF-WAY AGREEMENT

to
CONVEYANCE AND CONTRIBUTION AGREEMENT FROM SANTA FE ENERGY RESOURCES, INC. TO MONTEREY RESOURCES, INC.

ST. & CO.	AREA/PROSPECT NAME	CONT. #	CONT. DATE	CONTRACT PARTIES	TYPE CONTRACT
CA. KERN	MIDWAY	PR-02-00-000018 CA-LEG.	9/1/88	MID-SET COGENERATION CO. AND SANTA FE ENERGY COMPANY	STEAM PURCHASE & SALE AGREEMENT
CA. KERN	MIDWAY	PR-02-00-000018 CA-LEG.	7/27/82	MC FARLAND ENERGY CORP. (BUYER) AND SANTA FE ENERGY RESOURCES, INC. (SELLER)	STEAM PURCHASE AGREEMENT
CA. KERN	MIDWAY	PR-02-00-000017 CA-LEG.	8/15/82	M. H. WHITTER (BUYER) AND SANTA FE ENERGY RESOURCES, INC. (SELLER)	STEAM PURCHASE AGREEMENT
CA. KERN	MIDWAY	PR-02-00-000047 CA-LEG.	7/1/88	WEST KERN WATER DISTRICT AND SANTA FE ENERGY RESOURCES, INC.	WATER SERVICE AGREEMENT
CA. KERN	MIDWAY	PR-02-00-000018 CA-LEG.	8/15/88	MID-SET COGENERATION CO. AND SANTA FE ENERGY COMPANY	WATER SUPPLY AGREEMENT
CA. KERN	MIDWAY SUNSET	0723E05442	PENDING	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	AGREEMENT FOR INSTALLATION OR ALLOCATION OF SPECIAL FACILITIES
CA. KERN	MIDWAY, S.		07/24/85	COUGHRAN BROTHERS AND SANTA FE ENERGY RESOURCES, INC.	COMPRESSOR LEASE AGREEMENT
CA. KERN	MIDWAY, S.	SFCA-0233/0234/0235	11/01/80	GE CAPITAL MODULAR SPACE AND SANTA FE ENERGY RESOURCES, INC.	3 TRAILER LEASES
CA. KERN	MIDWAY, S.	#378883 UNIT #75326	01/07/83	GE CAPITAL MODULAR SPACE AND SANTA FE ENERGY RESOURCES, INC.	1 TRAILER/DATA LOGGER
CA. KERN	MIDWAY, S.	#448085 UNIT #069828	11/18/93	GE CAPITAL MODULAR SPACE AND SANTA FE ENERGY RESOURCES, INC.	R. WARD
CA. KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617748	09/06/87	CWOOD (SFER) & TIDEWATER OIL CO (NOW TEXACO)	WATER EXCHANGE AGMT
CA. KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	4911-A	09/13/84	ARCO WESTERN ENERGY, A UNIT OF ATLANTIC RICHFIELD COMPANY, AND SANTA FE ENERGY RESOURCES, INC.	STEAM-HEAT EXCHANGE AGREEMENT
CA. KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617750	09/15/86	WEST KERN WATER DISTRICT	INDUSTRIAL WATER SERVICE AGMT
CA. LOS ANGELES	SAN PEDRO BAY - 838 BETA - CA-279	1045A	09/01/82	UNION OIL COMPANY OF CALIFORNIA AND KERR-MCGEE CORPORATION, ET AL	"MASTER EXCHANGE AGREEMENT"? PIPELINE SHARING AGREEMENT
CA. LOS ANGELES	SANTA FE SPRINGS - 839 SANTA FE SPRINGS-CA-107	NEW	01/01/86	SAGE ENERGY AND MOBIL ROCKY MOUNTAIN INC.	SALT WATER DISPOSAL SERVICE AGMT.
CA. LOS ANGELES	SANTA FE SPRINGS - 839 SANTA FE SPRINGS-CA-107	NEW	08/02/83 AS AMO'D	OIL DYNAMICS INC. AND MOBIL EXPLORATION & PRODUCING U.S. INC.	AGREEMENT RE SUBMERSIBLE PUMPS
CA.	Various - Could apply to various properties	PR-21-00-000088 CA-LEG.	Undated	WEST KERN WATER DISTRICT AND SANTA FE ENERGY RESOURCES (BUYER)	WATER SERVICE - Memorandum of Understanding
CA.	VARIOUS AREAS	011 CA-LEG.	6/17/1981 effec. 8/1/81	PACIFIC GAS & ELECTRIC COMPANY AND SANTA FE ENERGY RESOURCES, INC.	PG&E GAS SERVICE AGREEMENT - NATURAL
CA.	CALIFORNIA	HOU-MIS	6/30/84	SANTA FE ENERGY RESOURCES, INC. AND ARTESIA DATA SYSTEMS, INC.	SOFTWARE AND LICENSE AGREEMENT & SUPPORT AND ENHANCEMENT AGREEMENT
CA.	CALIFORNIA	HOU-MIS	9/1/84	SANTA FE ENERGY RESOURCES, INC. AND VERTICOMP, INC. (NOW HALIBURTON)	SOFTWARE LICENSE AGMT. & MAINTENANCE AGMT.
CA.	CALIFORNIA	HOU-MIS	4/19/90	SANTA FE ENERGY RESOURCES, INC. AND MRS INC.	SOFTWARE LICENSE AGMT. (MICRO CONTROL)
CA.	CALIFORNIA	HOU-MIS	7/23/80	SANTA FE ENERGY RESOURCES, INC. AND PHOENIX LEASING INCORPORATED	MASTER EQUIPMENT LEASE (PBX/TEL EQPMT.)
CA.	CALIFORNIA	HOU-MIS	10/21/82	SANTA FE ENERGY RESOURCES, INC. AND DUN & BRADSTREET SOFTWARE SERVICES, INC.	LETTER OF ASSIGNMENT & ATTACHED LICENSE AGMTS. (2)
CA.	CALIFORNIA	HOU-MIS	6/24/84	SANTA FE ENERGY RESOURCES, INC. AND INNOVATIVE BUSINESS SOLUTIONS, INC.	MASTER LICENSE AND SERVICE AGMT. FOR SOFTWARE &/OR SERVICES
CA.	CALIFORNIA	HOU-MIS	3/8/81	SANTA FE ENERGY RESOURCES, INC. AND DWIGHT'S ENERGYDATA, INC.	LICENSE AGMT. FOR DATA
CA.	CALIFORNIA	HOU-MIS	7/24/82	SANTA FE ENERGY RESOURCES, INC. AND DWIGHT'S ENERGYDATA, INC.	LICENSE AGMT. FOR DATA
CA.	CALIFORNIA	HOU-MIS	5/10/86	LANDMARK GRAPHICS CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	SOFTWARE PURCHASE AGREEMENT
CA.	WESTERN DIV. OFFICES	HOU - OFF. SERVICES	11/14/85	ZASO ENTERPRISES, INC., SELLER AND SANTA FE ENERGY RESOURCES, INC., BUYER	VERSATILE SOFTWARE LICENSE AGMT.
CA. KERN	BELBRIDGE - 252; BELBRIDGE SO - CA-252	900834 (FEE Mtn. File 1)	10/05/80	MISSION OPERATING PARTNERSHIP, L.P., ("MISSION") AND SANTA FE ENERGY RESOURCES, INC., ("PURCHASER")	PURCHASE & SALE AGREEMENT
CA. KERN	BELBRIDGE - 252; BELBRIDGE SO - CA-252	900834 (FEE Mtn. File 2)	10/31/80	SANTA FE ENERGY RESOURCES, INC. AND THE PRUDENTIAL INSURANCE COMPANY OF AMERICA	AGREEMENT OF LIMITED PARTNERSHIP - SOUTH BELBRIDGE LIMITED PARTNERSHIP - W/ATTACHED OPER. AGMT.
CA. KERN	BELBRIDGE - 252; BELBRIDGE SO - CA-252	2688-A	04/30/87	SANTA FE ENERGY COMPANY, AS OPERATOR, AND AMERICAN ROYALTY PRODUCING COMPANY	OPERATING AGREEMENT
CA. KERN	BELBRIDGE - 804 BELBRIDGE SO - CA-252	617877	02/18/87	PETRO-LEWIS CORP. ET AL	PURCHASE & SALE AGMT
CA. KERN	BELBRIDGE - 804 BELBRIDGE SO - CA-252	617878	05/17/80	EXXON SAN JOAQUIN PRODUCTION CO.	DIATOMITE WATERFLOOD LEASELINE AGMT
CA. KERN	BELBRIDGE, S.	PR-02-00-000051 CA-LEG.		FPCO, PETRO LEWIS, ARF CO. AND SANTA FE ENERGY COMPANY	ASSIGNMENT & ASSUMPTION AGREEMENT & 7/22/87 REF. TO 12/18/86 AGREEMENT & CORRES.
CA. KERN	BELBRIDGE, S.	CA-2688-F CA-LAND	4/28/83	UNION OIL CO. OF CALIFORNIA AND PETRO-LEWIS	LAND ANNEXATION AGREEMENT
CA. KERN	BELBRIDGE, S.	CA-2688-F CA-LAND	7/28/83	UNION OIL CO. OF CALIFORNIA AND PETRO-LEWIS	LAND AGREEMENT

to
CONVEYANCE AND CONTRIBUTION AGREEMENT FROM SANTA FE ENERGY RESOURCES, INC. TO MONTEREY RESOURCES, INC.

ST. & CO.	AREA/PROSPECT NAME	CONTR. #	CONT. DATE	CONTRACT PARTIES	TYPE CONTRACT
CA. FRESNO	COALINGA - 121; COALINGA WEST - CA-121	LSE-8898	12/03/80	CHEVRON USA INC. AND SANTA FE ENERGY RESOURCES, INC.	EXCHANGE AGREEMENT
CA KERN	COALINGA - 811 COALINGA WEST - CA-121	617835 A/K/A 934	05/11/85 AMEND 07/11/85, 11/22/85	WESTATES PETROLEUM CO. AND W. T. McDONALD, ET AL	POOLING AGREEMENT
CA FRESNO	COALINGA - 811 COALINGA WEST - CA-121	617700-A	07/14/87	MOBIL EXPLORATION & PRODUCTION U.S. INC. AND SANTA FE ENERGY COMPANY	PURCHASE / SALE AGMT.
CA FRESNO	COALINGA - 811 COALINGA WEST - CA-121	4591-D	07/12/81	COALINGA COGENERATION COMPANY AND SANTA FE ENERGY RESOURCES INC.	COST SHARING AGREEMENT(RE CONSTRUCTING NATURAL GAS FIRED CO GEN FAC)
CA FRESNO	CONWAY RANCH - 813 CONWAY RANCH - CA-103	617830	12/27/73	EDMONDSON, WILLIAM F	ASSIGNMENT OF LETTER
CA YOLO	CONWAY RANCH - 813 CONWAY RANCH - CA-103	617710	03/18/74	ARGO, DOW CHEMICAL & WESTATES (SFER)	FARMOUT / OPERATING AGMT
CA YOLO	CONWAY RANCH - 813 CONWAY RANCH - CA-103	617710	04/01/75	ATLANTIC RICHFIELD/WESTATES (SFER)	ACREAGE CONTRIBUTION
CA YOLO	CONWAY RANCH - 813 CONWAY RANCH - CA-103	617710	01/01/79	CWOD (SFEC), DOW CHEMICAL & ARGO PET., NATOMAS EX.	DECLARATION OF POOLING CWOD NATOMAS NO. 1
CA YOLO	CONWAY RANCH - 813 CONWAY RANCH - CA-103	617710	07/15/77	CWOD, ARGO, NATOMAS	DECL. OF POOLING WITH OPERATING AGRMT.
CA YOLO	CONWAY RANCH - 813 CONWAY RANCH - CA-103	617710	06/13/74	HOFFMAN, ROBERT D	ASSIGNMENT OF ORRI
CA YOLO	CONWAY RANCH - 813 CONWAY RANCH - CA-103	617710	01/01/79	DOW CHEMICAL CO AND ARGO PET., CWOD, WOODLAND FARMS	GAS POOLING / OPERATING AGMT
CA YOLO	CONWAY RANCH - 813 CONWAY RANCH - CA-103	617710	12/08/77 SUPPL. 01/30/78	DOW CHEMICAL CO, ARGO PET., CWOD, WOODLAND FARMS	DECLARATION OF POOLING
CA YOLO	CONWAY RANCH - 813 CONWAY RANCH - CA-103	617710	12/08/80	ARGO PETROLEUM CORP, SFEC, WOODLAND FARMS, SAC, NORTHERN RR	DECLARATION OF POOLING
CA YOLO	CONWAY RANCH - 813 CONWAY RANCH - CA-103	617710	10/20/87	CASTLE MINERALS, INC. AND SFEC	ASSIGNMENT / ORRI
CA YOLO	CONWAY RANCH - 813 CONWAY RANCH - CA-103		12/08/80	SANTA FE ENERGY COMPANY, ET AL TO PUBLIC	DECLARATION OF POOLING (GAS)
CA KERN	KERN MINERALS - 703 (MIDWAY-SUNSET) CYMRIC - CA-309	617735	10/01/48	INDEPENDENT EXPL CO & SHELL OIL CO	UNIT AGMT
CA KERN	KERN MINERALS - 703 (MIDWAY-SUNSET) CYMRIC - CA-309	4673	04/23/93	SANTA FE ENERGY RESOURCES, INC. AND UNION OIL COMPANY OF CALIFORNIA	EXCHANGE AGREEMENT
CA KERN	KERN MINERALS - 703 CYMRIC - CA-309	4673-B	06/19/48	INTEX OIL COMPANY, ET AL TO THE PUBLIC	UNIT AGREEMENT FOR THE CARNEROS POOL
CA KERN	KERN RIVER - 822 KERN RIVER - CA-106	617838	4/17/1975; AS AMD'D 1/26/76; 8/15/80; 1/27/82; 8/15/89	STANDARD OIL COMPANY OF CALIFORNIA AND CHANSLOR WESTERN OIL DEVELOPMENT COMPANY	LINE WELL AGMT #1
CA KERN	KERN RIVER - 822 KERN RIVER - CA-106	617842	07/08/80 AMEND 5/01/81, 06/13/84, 07/07/84, 04/07/87	GETTY OIL CO & SFEC	LINE WELL AGMT #1
CA KERN	KERN RIVER - 822 KERN RIVER - CA-106	617888	03/19/87 EFF 03/01/87	SHELL CALIF PROD INC	LINE WELL AGMT
CA KERN	KERN RIVER - 822 KERN RIVER - CA-106	4749-A	12/15/93	TEXACO EXPLORATION & PRODUCTION INC. AND SANTA FE ENERGY RESOURCES, INC.	LINE WELL AGREEMENT
CA KERN	KERN RIVER - 822 KERN RIVER - CA-106	4902-A	10/02/84	CHEVRON USA PRODUCTION CO. AND SANTA FE ENERGY RESOURCES INC., ET AL	TRI-CO LINE WELL AGREEMENT
CA KERN	KERN RIVER - 822 KERN RIVER - CA-106		10/04/94	SANTA FE ENERGY OPERATING PARTNERS, L.P. AND ATLANTIC RICHFIELD COMPANY.	OFFSET WELL AGREEMENT
CA KERN	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617559	12/30/83	GETTY OIL COMPANY AND SANTA FE ENERGY COMPANY	LINE WELL AGREEMENT
CA KERN	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	4977-A	07/01/76	CHEVRON U.S.A. PRODUCTION COMPANY AND SANTA FE ENERGY COMPANY	EXPLORATION AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617570	11/29/84 AMEND 02/27/87, 09/23/88, 08/10/89, 08/18/89	W. T. WOODWARD, ET AL, TR. FOR W. T. WOODWARD & INEZ T. WOODWARD INTERVIVOS TRUST DATED 12/11/77 TO SANTA FE ENERGY CO.	FARMIN / IOPA SALES CONTRACT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617594	11/25/85 AMEND 06/02/88, 02/27/87, 04/23/88, 08/10/89	W. T. WOODWARD, ET AL, TR. FOR W. T. WOODWARD & INEZ T. WOODWARD INTERVIVOS TRUST DATED 12/11/77 TO SANTA FE ENERGY CO.	FARMIN
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617604	11/08/85	SFEC & SUN EXPL & PROD CO	LINE WELL AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617614	06/06/86 AMEND 03/27/87, 12/28/88, 07/01/89	ELIZABETH L. PRUEITT & BILL GILL TO SANTA FE ENERGY COMPANY	FARMOUT AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617622	09/30/82	OCCIDENTAL PETROLEUM CORP	PURCHASE AGMT. W/ATTACH. OPERATING AGMT.
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617646	07/24/72	CWOD & SUN EXPL & PROD CO	LINE WELL AGMT

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CONVEYANCE AND CONTRIBUTION AGREEMENT FROM SANTA FE ENERGY RESOURCES, INC. TO MONTEREY RESOURCES, INC.

ST. & CO.	AREA/PROSPECT NAME	CONT. #	CONT. DATE	CONTRACT PARTIES	TYPE CONTRACT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617647	09/18/1972 AMEND 04/11/85	SHELL OIL COMPANY AND CHANSLOR-WESTERN OIL & DEVELOPMENT CO.	LINE WELL AGMT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617648	10/09/74 AMEND 07/08/91, 08/15/91, 11/04/91, 01/11/93	CHANSLOR-WESTERN OIL & DEVELOPMENT CO. AND UNION OIL CO	LINE WELL AGMT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617649	12/02/74	CHANSLOR-WESTERN OIL & DEVELOPMENT CO. AND MCFARLAND ENERGY CO	LINE WELL AGMT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617650	08/14/38	CHANSLOR-CANFIELD MIDWAY OIL COMPANY AND QUALITY OIL COMPANY	LINE WELL AGMT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617668	03/01/87 EFF 03/01/87	SANTA FE ENERGY COMPANY AND SHELL CALIFORNIA PRODUCTION INC	EXCHANGE AGMT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617715	11/01/87	SFEC & BERRY HOLDING CO.	PURCHASE / SALE AGMT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617747	05/07/87	SHELL WESTERN E&P INC. AND SANTA FE ENERGY COMPANY	LINE WELL AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617708-A	11/23/53	OCEANIC OIL COMPANY, AS OPERATOR, AND ELOISE HELLER, ET AL (INTERIM SYNDICATE)	OPERATING AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	617708-B	09/25/87 AMEND 11/13/87	CHEVRON USA, INC. AND SANTA FE ENERGY CO.	PURCHASE & SALE AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	4711-A	02/24/93 AMEND 02/25/93	SANTA FE ENERGY RESOURCES, INC. AND SHELL WESTERN E&P INC.	DATA EXCHANGE AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	4712-A	02/22/93	CHEVRON U.S.A., INC. TO SANTA FE ENERGY RESOURCES, INC.	SEISMIC LICENSE AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	4732-A	06/25/83 AMEND 08/19/83, 09/27/83	U.S. DEPT. OF INTERIOR, BUREAU OF LAND MANAGEMENT AND SANTA FE ENERGY COMPANY	LINE WELL AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	4812-A	12/28/84	U.S. DEPT. OF INTERIOR, BUREAU OF LAND MANAGEMENT AND SANTA FE ENERGY RESOURCES, INC.	LINE WELL AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	4942-A	12/07/84	SANTA FE ENERGY RESOURCES, INC. AND ATLANTIC RICHFIELD CO. (ARCO WESTERN ENERGY)	LINE WELL AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	7930	09/30/82	OCCIDENTAL PETROLEUM CORPORATION, SELLER, TO SANTA FE ENERGY COMPANY, BUYER	PURCHASE AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	7930	10/12/82	DR. ARMAND HAMMER, SELLER, TO SANTA FE ENERGY COMPANY, BUYER	PURCHASE AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	901002-102	02/25/74	CHANSLOR-CANFIELD MIDWAY OIL COMPANY AND STANDARD OIL COMPANY OF CALIFORNIA	COMMINGLING AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	901002-105	06/21/54	CHANSLOR-WESTERN OIL & DEVELOPMENT CO. AND OCEANIC OIL CO.	EXPLORATORY AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	901002-105	10/05/76	GENERAL AMERICAN OIL COMPANY OF TEXAS; CHANSLOR-WESTERN OIL AND DEVELOPMENT COMPANY; AND STANDARD OIL COMPANY OF CALIFORNIA	COMMINGLING AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109	901573	09/01/89	SANTA FE ENERGY COMPANY TO DANNY R. SHAFFER, ET UX	FIRST RIGHT OF REFUSAL AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109 CYPRESS - CA-183	4468-A	1/13/1992; ACQTYD 1/17/92	SANTA FE ENERGY RESOURCES, INC. TO UNOCAL CORPORATION	BOTTOM HOLE CONTRIBUTION
CA ORANGE	OLINDA HEIGHTS	LAND	11/22/1891 EFF. 10/17/91	SANTA FE ENERGY RESOURCES, INC. AND CLARK TINGEY HATCH ET UX QUENTA KELLIS HATCH	AGREEMENT (RE SFER ACCEPTING SURFACE WATERS FROM HATCH PROPERTY)
CA ORANGE	OLINDA HEIGHTS	LAND	12/12/1933, AMENDED	ASI WASTE WATER DISPOSAL COMPANY AND CHANSLOR CANFIELD MIDWAY OIL COMPANY	AGREEMENT (RE WASTE WATER DISPOSAL)
CA ORANGE & KERN	OLINDA HEIGHTS	900721	01/12/61	SHELL OIL COMPANY, CHANSLOR-WESTERN OIL AND DEVELOPMENT COMPANY, ET AL	BOUNDARY LINE AGREEMENT
CA ORANGE	ORANGE MINERALS - 707 RICHFIELD - CA-111	617633	10/15/88	TEXACO INC	UNIT / RICHFIELD EAST DOME

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to

CONVEYANCE AND CONTRIBUTION AGREEMENT FROM SANTA FE ENERGY RESOURCES, INC. TO MONTEREY RESOURCES, INC.

ST. & CO.	AREA/PROSPECT NAME	CONT. #	CONT. DATE	CONTRACT PARTIES	TYPE CONTRACT
CA LOS ANGELES	ROSECRANS - 835 ROSECRANS - CA 255 ROSECRANS S - 261 HOWARD TOWN - CA-263	617877	04/30/87	PETRO-LEWIS CORP, ET AL	PURCHASE & SALE AGREEMENT
CA LOS ANGELES	ROSECRANS - 835 ROSECRANS S - CA 261	617814	04/20/71	MARMAC RESOURCES COMPANY AND WINDMAN BROTHERS, ET AL	JOINT VENTURE AGREEMENT
CA LOS ANGELES	ROSECRANS - 835 ROSECRANS - CA -255	617722	3/1/90 BOTH DOCS	SANTA FE ENERGY OPERATING PARTNERS, L.P., MAERSK ENERGY INC. & UNOCAL CORP, ET AL	UNIT / UNIT OPERATING AGREEMENT
CA LOS ANGELES	ROSECRANS - 835 ROSECRANS - CA -255	4833-A	03/04/93	DOROTHY S. CHANDLER, ET AL AND SANTA FE ENERGY OPERATING PARTNERS, L.P.	COMMINGLING AGREEMENT
CA LOS ANGELES	ROSECRANS - 835 ROSECRANS - CA -255	617701	05/01/87	SHULL, R W & SANTA FE OPERATING PARTNERS, LP	PURCHASE & SALE AGREEMENT
CA LOS ANGELES	ROSECRANS - 835 ROSECRANS - CA -255	4832-A	06/14/94	UNION OIL COMPANY OF CALIFORNIA AND SANTA FE ENERGY OPERATING PARTNERS L.P.	AGREEMENT FOR PURCHASE & SALE
CA LOS ANGELES	ROSECRANS - 835 ROSECRANS S - CA -261	617740	07/12/40	KELLY, THOMAS & SONS INC & EARL OAKLEY	OVERRIDE AGREEMENT
CA LOS ANGELES	ROSECRANS - 835 ROSECRANS S - CA -261	2735-A	10/01/81	TAYLOR, ET AL & SFEOP	COMMINGLING AGREEMENT
CA LOS ANGELES	ROSECRANS - 835 ROSECRANS MAIN-CA 255 ROSECRANS S - CA-261	617714	11/24/87	SANTA FE ENERGY OPERATING PARTNER, L.P. & MARMAC RESOURCES CO	PURCHASE & SALE AGREEMENT
CA LOS ANGELES	SANTA FE SPRINGS		11/04/96	NUEVO ENERGY COMPANY, AS ASSIGNOR, AND SANTA FE ENERGY RESOURCES, INC., AS ASSIGNEE	PURCHASE & SALE AGREEMENT
CA OFFSHORE	SAN PEDRO BAY - 838 BETA - CA-279	617657A	01/05/76	SHELL OIL COMPANY, AS OPERATOR, AND OXY PETROLEUM, INC., ET AL	OPERATING AGREEMENT (B4 UNITIZED)
CA OFFSHORE	SAN PEDRO BAY - 838 BETA - CA-279	617657B	07/22/76	SHELL OIL COMPANY, ET AL AND STANDARD OIL COMPANY OF CALIFORNIA, ET AL	WELL CONTRIBUTION AGREEMENT
CA OFFSHORE	SAN PEDRO BAY - 838 BETA - CA-279	617657C	11/22/76	SHELL OIL COMPANY, ET AL AND STANDARD OIL COMPANY OF CALIFORNIA, ET AL	WELL CONTRIBUTION AGREEMENT
CA OFFSHORE	SAN PEDRO BAY - 838 BETA - CA-279	617657D	05/31/77	CHEVRON U.S.A., INC., ET AL AND SHELL OIL COMPANY, ET AL	WELL CONTRIBUTION AGREEMENT
CA OFFSHORE	SAN PEDRO BAY - 838 BETA - CA-279	617657E	08/05/77	CHEVRON U.S.A., INC. AND SHELL OIL COMPANY	DATA TRADE
CA OFFSHORE	SAN PEDRO BAY - 838 BETA - CA-279	617658A	02/21/79	SHELL OIL COMPANY AND OXY PETROLEUM, INC., ET AL	UNIT AGREEMENT FOR EXPLORATION, DEVELOPMENT, AND PRODUCTION
CA OFFSHORE	SAN PEDRO BAY - 838 BETA - CA-279	617658B	10/01/78	SHELL OIL COMPANY, AS OPERATOR, AND OXY PETROLEUM, INC., ET AL AS NON-OPERATORS	UNIT OPERATING AGREEMENT
CA OFFSHORE	SAN PEDRO BAY - 838 BETA - CA-279	617658C	04/22/80	SHELL OIL COMPANY AND CHEVRON U.S.A., INC., ET AL	AGREEMENT RE PRESERVING FLEXIBILITY IN DESIGN OF DRILLING PLATFORM FOR AREAS 1 & 2 (P-0300 & 0301) & POSS. COMMITTING P-0306 TO 10/1/78 O/A
CA OFFSHORE	SAN PEDRO BAY - 838 BETA - CA-279	617658D	08/02/82	SHELL CALIFORNIA PRODUCTION INC., AND CHEVRON U.S.A., INC., ET AL	UNIT AGREEMENT FOR EXPLORATION, DEVELOPMENT, & PROD. OPER. - BETA UNIT
CA OFFSHORE	SAN PEDRO BAY - 838 BETA - CA-279	617658E	08/01/82 AMEND 04/15/83	SHELL CALIFORNIA PRODUCTION INC., AS SUB- OPERATOR, CHEVRON U.S.A., INC., AS SUB- OPERATOR AND PETRO LEWIS BETA COMPANY JOINT VENTURE, ET AL	UNIT OPERATING AGREEMENT - AREAS 1,2,3,4
CA OFFSHORE	SAN PEDRO BAY - 838 BETA - CA-279	617660B	11/01/79	SHELL CALIFORNIA PRODUCTION INC., AS SUB- OPERATOR, CHEVRON U.S.A., INC., AS SUB- OPERATOR AND PETRO LEWIS BETA COMPANY JOINT VENTURE, ET AL	UNIT OPERATING AGREEMENT
CA OFFSHORE	SANTA FE SPRINGS - 839 SANTA FE SPRINGS-CA-107	617627A	04/01/69	MOBIL OIL CORPORATION, AS UNIT OPERATOR, AND TEXACO, INC., ET AL	UNIT AGREEMENT, SANTA FE SPRINGS UNIT
CA LOS ANGELES	SANTA FE SPRINGS - 839 SANTA FE SPRINGS-CA-107	617627B	04/01/69	MOBIL OIL CORPORATION, AS UNIT OPERATOR, AND TEXACO, INC., ET AL	UNIT OPERATING AGREEMENT
CA LOS ANGELES	SANTA FE SPRINGS - 839 SANTA FE SPRINGS-CA-107	LD-07-00	02/01/95 EFF 05/01/96	MOBIL OIL CORP. MOBIL ROCKY MT INC. & SANTA FE ENERGY RESOURCES, INC.	PURCHASE & SALE AGMT
CA LOS ANGELES	SANTA FE SPRINGS - 839 SANTA FE SPRINGS-CA-107	CA-LAND	02/09/53	B-L AND ASSOCIATES, AS OPERATOR, AND ELSHORE C. MACHNIS, AS NON-OPERATOR	OPERATING AGREEMENT
CA LOS ANGELES	SANTA FE SPRINGS - 839 SANTA FE SPRINGS-CA-107	NEW	03/07/56	BANDINI PETROLEUM COMPANY, AS OPERATOR, AND LOS FELIZ INVESTMENT CO., AS NON- OPERATOR	OPERATING AGREEMENT
CA LOS ANGELES	SANTA FE SPRINGS - 839 SANTA FE SPRINGS-CA-107	NEW	03/28/92	CITY OF SANTA FE SPRING, THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA FE SPRINGS, MCGRANAHAN, CARLSON & COMPANY AND MOBIL OIL CORPORATION	LETTER AGREEMENT
CA LOS ANGELES	VARIOUS		09/30/87	ATCHISON, TOPEKA & SANTA FE RAILROAD AND SANTA FE ENERGY	AGREEMENT OF PURCHASE AND SALE (RE TERM ROYALTY)
CA LOS ANGELES	WILMINGTON - 847 WILMINGTON - CA-222	617636	08/10/86	HUMBLE OIL & REFINING COMPANY (NOW EXXON), ET AL TO PUBLIC. - CHANSLOR-WESTERN OIL & DEVELOPMENT CO. RATIFIED THIS UNIT 9/1/71	UNIT AGREEMENT - FAULT BLOCK 1, TOWNLOT UNIT; UNIT OPERATING AGREEMENT
CA LOS ANGELES	WILMINGTON - 847 WILMINGTON - CA-222	617638B	08/01/75	SUN OIL CO	UNIT AGMT
CA LOS ANGELES	WILMINGTON - 847 WILMINGTON - CA-222	617745A	08/01/61	SOCONY MOBIL OIL CO., INC., AS OPERATOR, AND UNION PACIFIC RAILROAD CO., ET AL	UNIT AGREEMENT - FAULT BLK IV
CA LOS ANGELES	WILMINGTON - 847 WILMINGTON - CA-222	617745B	08/01/61	SOCONY MOBIL OIL CO., INC., AS OPERATOR, AND UNION PACIFIC RAILROAD CO., ET AL	UNIT OPERATING AGREEMENT - FAULT BLK IV - RANGER ZONE

to
CONVEYANCE AND CONTRIBUTION AGREEMENT FROM SANTA FE ENERGY RESOURCES, INC. TO MONTEREY RESOURCES, INC.

ST. & CO.	AREA/PROSPECT NAME	CONT. #	CONT. DATE	CONTRACT PARTIES	TYPE CONTRACT
CA LOS ANGELES	WILMINGTON - 847 WILMINGTON - CA-222	617745C	08/01/83	SOCONY MOBIL OIL CO., INC., AS OPERATOR, AND SIGNAL OIL CO., ET AL	UNIT AGREEMENT - FAULT BLK IV
CA LOS ANGELES	WILMINGTON - 847 WILMINGTON - CA-222	617746D	08/01/83	SOCONY MOBIL OIL CO., INC., AS OPERATOR, AND SIGNAL OIL CO., ET AL	UNIT OPERATING AGREEMENT - FAULT BLK V - RANGER ZONE
CA KERN	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-108	4915	04/12/95	CALRESOURCES LLC, SHELL WESTERN E&P, INC. AND SANTA FE ENERGY RESOURCES, INC.	LINE WELL AGREEMENT & GAS PURCHASE & SALE AGREEMENT
CA KERN	BELRIDGE - 804 BELRIDGE SO - CA-252	2689-I	10/03/84	CHEVRON USA INC. TO SHELL CALIFORNIA PRODUCTION INC., ET AL	PIPELINE ROW EASEMENT
CA KERN	BELRIDGE - 804 BELRIDGE SO - CA-252	2689-K	08/28/84	SHELL CALIFORNIA PRODUCTION INC. AND PETRO-LEWIS CORPORATION	LICENSE/ROW AGMT FOR WATER TRANSPORTATION
CA KERN	BELRIDGE - 804 BELRIDGE SO - CA-252	2689-N	02/23/87	CHEVRON U.S.A. INC. TO PETRO LEWIS CORPORATION	PIPELINE ROW (FOR O&G)
CA KERN	BELRIDGE - 804 BELRIDGE SO - CA-252	2689-P	11/01/83	CHEVRON USA INC & PETRO-LEWIS	PIPELINE ROW
CA KERN	BELRIDGE, S.	CA-2689-F CA-LAND	3/22/1989 eff. 4/1/89	UNION OIL CO. OF CALIFORNIA AND SANTA FE ENERGY COMPANY	LAND LICENSE AGREEMENT
CA KERN	BELRIDGE, S.	PR-02-00-00008 CA-LEG.	8/21/87	CELERON OIL & GAS CORP. AND SANTA FE ENERGY RESOURCES, INC.	LICENSE AGREEMENT - Pipeline
CA FRESNO	COALINGA	617700B	09/21/83	CHEVRON USA, INC. AND THE SUPERIOR OIL COMPANY	PIPELINE AGREEMENT
CA FRESNO	COALINGA	617700B	12/05/83	GETTY OIL COMPANY AND THE SUPERIOR OIL COMPANY	LICENSE AGREEMENT
CA KERN	KERN RIVER	PR-02-00-000028 CA-LEG.	12/18/82	NORTH KERN WATER STORAGE DISTRICT	LICENSE AGREEMENT
CA KERN	MIDWAY	PR-02-00-000045 CA-LEG.	11/3/87	SUN EXPLORATION AND PRODUCTION COMPANY AND SANTA FE ENERGY COMPANY	LICENSE AGREEMENT - Pipeline
CA KERN	MIDWAY	PR-02-00-000045 CA-LEG.	12/1/87	SUN EXPLORATION AND PRODUCTION COMPANY AND SANTA FE ENERGY COMPANY	LICENSE AGREEMENT - Pipeline
CA KERN	MIDWAY	PR-02-00-000052 CA-LEG.	2/27/90	UNION OIL COMPANY OF CALIFORNIA AND SANTA FE ENERGY COMPANY	LICENSE AGREEMENT - Pipeline
CA KERN	MIDWAY	PR-02 CA-LEG.	7/96	CAL RESOURCES AND SANTA FE ENERGY RESOURCES, INC.	LICENSE AGREEMENT - Pipeline
CA KERN	MIDWAY	PR-02-00-000023 CA-LEG.	1/25/90	MOBIL OIL CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	LICENSE AGREEMENT - Pipeline
CA KERN	MIDWAY (#1 & 2); KERN RIVER (#3)	PR-02-00-000040 CA-LEG.	1) 2/12/1988; 2) 4/11/88; 3) 10/21/87	1) SANTA FE ENERGY RESOURCES, INC. TO SHELL WESTERN E&P INC.; 2) SANTA FE ENERGY COMPANY TO UNION OIL COMPANY OF CALIFORNIA; 3) SANTA FE ENERGY COMPANY TO SHELL WESTERN E&P INC.	1) LICENSE AGREEMENT; 2) LICENSE AGREEMENT; 3) LICENSE AGREEMENT
CA KERN & SAN LUIS OBISPO	MIDWAY-SUNSET - 828 MIDWAY-SUNSET - CA-109		02/27/79	GETTY OIL CO	LICENSE AGMT
CA KERN	BELRIDGE, S.	CA-4160 (Land Dept) CA-LEG.	8/22/1988; AM'D 1/22/91	SANTA FE ENERGY RESOURCES, INC., "BORROWER", AND TRUST COMPANY OF THE WEST, ET AL, "LENDER"	LOAN AGREEMENT; AMENDED & RESTATED TERM LOAN AGREEMENT
CA	MISC.	LEGAL	6/13/86	PETRIC PARLEMAN & CO. AND CHASE SECURITIES INC. AND SANTA FE ENERGY RESOURCES, INC.	LETTER AGREEMENT
CA	SIGNAL HILL	LEGAL	10/31/90	SIGNAL HILL SERVICES, INC., AND SANTA FE ENERGY RESOURCES, INC.	AGREEMENT FOR PURCHASE AND SALE
CA	SIGNAL HILL	LEGAL	2/15/91	SIGNAL HILL SERVICES, INC. TO SANTA FE ENERGY RESOURCES, INC.	PROMISSORY NOTE (\$2,035,000)
CA	SIGNAL HILL	LEGAL	2/15/91	RICHARD L. CARONE AND ROBERT L. CARONE TO SANTA FE ENERGY RESOURCES, INC.	GUARANTY
CA	VARIOUS AREAS	PR-02-000009 CA-LEG.	2/23/93	NATIONAL CERTIFIED FABRICATORS, INC. AND SANTA FE ENERGY RESOURCES, INC.	AGREEMENT
CA	VARIOUS AREAS	PR-08 Patents General CA-LEG.		HERNDON DESIGN COMPANY AND SANTA FE ENERGY RESOURCES, INC.	PATENT #4,824,814.
CA	VARIOUS AREAS	PR-02-00-000016 CA-LEG.	Left blank on contract	LTV ENERGY PRODUCTS CO.	PATENT
CA	VARIOUS AREAS	PR-08 CA-LEG.	3/15/77	JEFFREY A. JONES, INVENTOR, TO CHANSLOR WESTERN OIL & DEVELOPMENT CO., ASSIGNEE	PATENT 4,012,207
CA	VARIOUS AREAS	PR-08 CA-LEG.	4/25/89	JEFFREY A. JONES, INVENTOR, TO SANTA FE ENERGY COMPANY, ASSIGNEE	PATENT 4,824,814
CA	VARIOUS AREAS	PR-08 CA-LEG. & (2) Agmt. 2/22/93	(1) 2/25/1991; (2) 2/22/93	(1) SANTA FE ENERGY RESOURCES INC. AND NATIONAL CERTIFIED FABRICATORS (2) SANTA FE ENERGY RESOURCES, INC. AND NATIONAL CERTIFIED FABRICATORS	PATENT 4,989,841; AGREEMENT
CA	VARIOUS AREAS	PR-08 CA-LEG.	(1) 2/5/91; (2)	CHEVRON USA INC. AND SANTA FE ENERGY RESOURCES, INC.	PATENT 4,989,841 & AGREEMENT
CA	VARIOUS AREAS	PR-08 CA-LEG.	(1) 2/5/91; (2) 2/22/93	SANTA FE ENERGY RESOURCES INC. AND NATIONAL CERTIFIED FABRICATORS	PATENT 4,989,841 & ASSIGNMENT
CA	VARIOUS AREAS	PR-08 CA-LEG.	(1) 2/5/91; (2) 8/15/93	HERNDON DESIGN COMPANY AND SANTA FE ENERGY RESOURCES, INC.	PATENT 4,989,841 & ASSIGNMENT
CA	VARIOUS AREAS	PR-08 CA-LEG.	9/25/89	JEFFREY A. JONES AND JOHN W. HERNDON, INVENTORS, TO SANTA FE ENERGY COMPANY, ASSIGNEE	PATENT 4,989,841
CA	VARIOUS AREAS	PR-08 CA-LEG.	2/5/91	JEFFREY A. JONES AND JOHN W. HERNDON, INVENTORS, TO SANTA FE ENERGY COMPANY, ASSIGNEE	PATENT 4,989,841; Canadian Patent 2,021,397
CA	VARIOUS AREAS	PR-08 CA-LEG.	2/25/92	JEFFREY A. JONES, INVENTOR, TO SANTA FE ENERGY COMPANY, ASSIGNEE	PATENT 5,090,238

to
CONVEYANCE AND CONTRIBUTION AGREEMENT FROM SANTA FE ENERGY RESOURCES, INC. TO MONTEREY RESOURCES, INC.

ST. & CO.	AREA/PROSPECT NAME	CONT. #	CONT. DATE	CONTRACT PARTIES	TYPE CONTRACT
CA	VARIOUS AREAS	PR-08 CA-LEG.	3/11/82	LTV ENERGY PRODUCTS COMPANY AND SANTA FE ENERGY RESOURCES, INC.	PATENT APPLICATIONS
CA	VARIOUS AREAS	PR-08 CA-LEG.	4/3/87	JEFFREY A. JONES, INVENTOR, TO SANTA FE ENERGY COMPANY, ASSIGNEE	PATENT ASSIGNMENT
CA KERN	MIDWAY	PR-02 CA-LEG.		RADSCAN INC. AND SANTA FE ENERGY RESOURCES, INC.	MICROWAVE MULTIPLE ADDRESS DATA ACQUISITION AGREEMENT "Short Spaced"
CA KERN	MIDWAY	PR-02 FCC CA-LEG.	8/3/84	FEDERAL COMMUNICATIONS COMMISSION AND SANTA FE ENERGY RESOURCES, INC.	MICROWAVE RADIO STATION LICENSE
CA KERN	MIDWAY	PR-02 CA-LEG.	1) 10/28/1993 & 7/83; & 2) 10/28/93	1) FELLOWS GENERATING COMPANY, LP AND SANTA FE ENERGY RESOURCES, INC.; 2) U.S. GENERATING CO., ET AL AND SANTA FE ENERGY RESOURCES, INC.	1) LETTER AGREEMENT RE COGENERATION AGREEMENT; 2) COGENERATION PROJECT AGREEMENT
CA YOLO	CONWAY RANCH - 813 CONWAY RANCH - CA-103	617710	08/15/77	PACIFIC GAS & ELECTRIC CO AND CWOOD (SFER)	GAS PURCHASE AGMT
CA	/BUENA FE LEASE	-	5/1/80	ARCO OIL & GAS CO.	OIL SALES AGMT.
CA	/CA - EMPIRE	-	5/1/87	TEXACO TRADING & TRANSP., INC.	OIL SALES AGMT.
CA	/CA - REEVES	-	11/1/80	ORYX ENERGY CO.	OIL SALES AGMT.
CA	/CA - STATION 31	-	4/1/80	TEXACO TRADING & TRANSP., INC.	OIL SALES AGMT.
CA	/CA - STATION 31	-	8/1/88	C. ITOH & CO. (AMERICA), INC.	OIL SALES AGMT.
CA	/CA - STATION 31	-	9/1/88	TANNEHILL PETROLEUM CORP.	OIL SALES AGMT.
CA	/CA - STATION 36	-	8/1/85	TEXACO REFINING & MARKETING, INC.	OIL SALES AGMT.
CA	/HYNES STATION	-	3/1/83	KOCH OIL COMPANY	OIL SALES AGMT.
CA	/LONG BEACH, ROSECRANS, SF	-	10/1/80	UNOCAL CORP.	OIL SALES AGMT.
CA	/MIDWAY SUNSET BUENA FE LSE	-	7/1/88	ARCO OIL & GAS CO.	OIL SALES AGMT.
CA	/MOCAL	-	5/1/80	ARCO OIL & GAS CO.	OIL SALES AGMT.
CA	/MOCAL	-	12/1/87	ARCO OIL & GAS CO.	OIL SALES AGMT.
CA	/NEWHALL STATION	-	5/1/86	TEXACO REFINING & MARKETING, INC.	OIL SALES AGMT.
CA	/REEVES STATION	-	7/1/86	THE PERMIAN CORP.	OIL SALES AGMT.
CA	/REEVES UNIT	-	11/1/80	GENERAL ATLANTIC RESOURCES	OIL SALES AGMT.
CA	/SESPE L.A.C.T.	-	10/1/85	KOCH OIL COMPANY	OIL SALES AGMT.
CA	/STATION 31	-	9/1/88	ARCO OIL & GAS CO.	OIL SALES AGMT.
CA	/STATION 31	-	8/1/88	ARCO OIL & GAS CO.	OIL SALES AGMT.
CA	/STATION 36	-	9/1/86	TEXACO REFINING & MARKETING, INC.	OIL SALES AGMT.
CA KERN	BELRIDGE - 804 BELRIDGE 50 - CA-252	4971-A	06/27/85 AMEND 02/26/93	UNION OIL COMPANY OF CALIFORNIA, AS BUYER, AND PARTNERSHIP PROPERTIES CO (PETRO-LEWIS) AS SELLER	CRUDE OIL PURCHASE CONTRACT
CA-KERN	BELRIDGE AREA	CA540500	11/28/79	MOBIL OIL CORPORATION	GAS SALES
CA-ORANGE	BREA OLINDA	CA501801	8/1/88	UNION OIL COMPANY OF CALIFORNIA	GAS SALES
CA	CA - BETA	S2685	9/1/86	TEXACO TRADING & TRANSP., INC.	OIL SALES AGMT.
CA	CA - Brea Olinda Lee	S2538	10/1/85	UNOCAL CORP.	OIL SALES AGMT.
CA	CA - Station 31	S2556	12/1/85	BRAVO ENERGY TRADING N. A.	OIL SALES AGMT.
CA	CA - STATION 31	S2580	2/1/86	EOTT ENERGY CORP.	OIL SALES AGMT.
CA	CA - STATION 31	S2872	7/1/86	EXXON COMPANY, U.S.A.	OIL SALES AGMT.
CA	CA - STATION 31	S2884	8/1/86	WITCO CORPORATION	OIL SALES AGMT.
CA	CA - STATION 31	S1270	4/1/87	PHILLIPS 66 PETROLEUM CO.	OIL SALES AGMT.
CA	CA - STATION 31	S1348	10/1/87	TEXACO TRADING & TRANSP., INC.	OIL SALES AGMT.
CA KERN	CA - MIDWAY S.	4974A	05/01/86	ARCO WESTERN ENERGY AND SANTA FE ENERGY RESOURCES, INC.	WATER DISPOSAL CAPACITY AGREEMENT
CA-LOS ANGELES	CALENDAR #1	CA541600	6/1/82	SUPERIOR OIL COMPANY	GAS SALES
CA-	COALINGA FIELD	TRPC0045	7/17/87	PACIFIC GAS AND ELECTRIC COMPANY	TRANSPORTATION
NM	EAST OF THOREAU	TRTW0002	2/28/82	TRANSWESTERN PIPELINE	INTER TRANSP
CA	KERN RIVER FIELD	TRPG0057	8/1/81	PACIFIC GAS AND ELECTRIC CO.	TRANSPORTATION
CA KERN	KERN RIVER (may pertain to other fields)	PR-02 CA-LEG.	8/13/83	MOJAVE PIPELINE AND SANTA FE ENERGY RESOURCES, INC.	GAS TRANSPORTATION IMBALANCES - LETTER AGREEMENT re imbalances
CA-FELLOWS	MCKITTRICK FUEL STA.	CA501400	2/24/42	CHEVRON U.S.A.	GAS PURCHASE & COMPRESSION
	ROSECRANS	PCCA1021	10/01/85	BREA CANON OIL COMPANY AND SANTA FE ENERGY RESOURCES, INC.	GAS MARKETING AGREEMENT
CA KERN	ROSECRANS - 835 ROSECRANS - CA -255	617701	12/28/81	EFFI UNION OIL CO & SUN OIL CO.	CRUDE OIL
CA LOS ANGELES	ROSECRANS - 835 ROSECRANS - CA -255	4832-D	09/09/84	BREA CANON OIL CO. AND SANTA FE ENERGY RESOURCES, INC.	GAS MARKETING AGREEMENT
CA-LOS ANGELES	ROSECRANS OIL FIELD	CA540800	6/14/78	UNION OIL COMPANY OF CALIFORNIA	GAS SALES
CA-LOS ANGELES	ROSECRANS OIL FIELD	CA553800	9/1/89	COOPER AND BRAIN, INC.	GAS PURCHASE
CA-LOS ANGELES	ROSECRANS OIL FIELD	CA553900	9/1/89	NANNETTE SUTHERLAND, TRUSTEE	GAS PURCHASE
CA-LOS ANGELES	ROSECRANS OIL FIELD	CA554000	9/1/89	BEREN CORPORATION	GAS PURCHASE
CA.	S. BELRIDGE	CA540300	11/13/88	UNIVERSITY COGENERATION PARTNERS	GAS PURCHASE
CA	S. BELRIDGE FIELD	S1816	11/1/80	UNOCAL CORP.	OIL SALES AGMT.
CA-KERN	S. BELRIDGE OIL FIELD	CA555000	4/5/90	UNION OIL COMPANY OF CALIFORNIA	GAS PURCHASE
NM-SAN JUAN	SAN JUAN BASIN	PCNM1009	5/1/83	AMOCO ENERGY TRADING CORP	GAS PURCHASE
NM-SAN JUAN	SAN JUAN BASIN	GP100600	9/1/85	AMOCO PRODUCTION COMPANY	GAS PURCHASE
NM-SAN JUAN	SAN JUAN BASIN	GP101600	10/1/86	ENRON CAPITAL & TRADE CORP.	GAS PURCHASE
NM-SAN JUAN	SAN JUAN BASIN	GP100000	1/1/86	COASTAL GAS MARKETING COMPANY	GAS PURCHASE
NM-SAN JUAN	SAN JUAN BASIN	GP100400	3/1/86	MOCK RESOURCES, INC.	GAS PURCHASE
NM-SAN JUAN	SAN JUAN BASIN	GP100500	4/1/86	PANENERGY GAS SERVICES, INC.	GAS PURCHASE
NM-SAN JUAN	SAN JUAN BASIN	GP101100	9/1/86	NATURAL GAS CLEARINGHOUSE	GAS PURCHASE

to

CONVEYANCE AND CONTRIBUTION AGREEMENT FROM SANTA FE ENERGY RESOURCES, INC. TO MONTEREY RESOURCES, INC.

ST. & CO.	AREA/PROSPECT NAME	CONT. #	CONT. DATE	CONTRACT PARTIES	TYPE CONTRACT
NM-SAN JUAN	SAN JUAN BASIN	GP101200	2/1/95	TEXACO NATURAL GAS, INC.	GAS PURCHASE
NM-SAN JUAN	SAN JUAN BASIN	NM977100	7/1/95	NATIONAL GAS & ELECTRIC	GAS SALES
NM-SAN JUAN	SAN JUAN BASIN	PCCA1014	7/1/95	NATIONAL GAS & ELECTRIC	GAS PURCHASE
NM-SAN JUAN	SAN JUAN BASIN	PCCA1003	12/1/92	CHEVRON U.S.A. INC.	GAS PURCHASE
NM-SAN JUAN	SAN JUAN BASIN	TREP0051	12/28/95	EL PASO NATURAL GAS COMPANY	TRANSPORTATION
NM	SAN JUAN LATERAL	TRTW0004	6/12/92	TRANSWESTERN PIPELINE	FIRM TRANSP
CA	SOUTH MIDWAY	CAS28800	3/18/98	SOUTHERN CALIFORNIA GAS CO.	GAS PURCHASE
CA-	THOREAU	TRTW0001	4/30/91	TRANSWESTERN PIPELINE	FIRM TRANSP
	TOPOCK, AZ TO KERN, CA	TRMO0005	10/19/92	MOJAVE PIPELINE COMPANY	FIRM TRANSP
MT-PORT OF WILD HORSE	U.S. - CANADA BORDER		4/11/91	ALTAMONT GAS TRANSMISSION CO.	TRANSPORTATION
MT-PORT OF WILD HORSE	U.S. - CANADA BORDER		4/11/91	ALTAMONT GAS TRANSMISSION CO.	FIRM TRANSP
	VARIOUS	GP100700	05/01/98	EL PASO GAS MARKETING COMPANY AND SANTA FE ENERGY RESOURCES, INC.	GAS PURCHASE CONTRACT
CA	VARIOUS AREAS	002 CA-LEG.	8/92	CHEVRON USA AND SANTA FE ENERGY RESOURCES	GAS EXCHANGE
CA	VARIOUS AREAS	005 CA-LEG.	9/94	SO CAL GAS AND SANTA FE ENERGY RESOURCES, INC.	GAS SELECT AGREEMENT (on line gas service & info)
CA	VARIOUS AREAS	004 CA-LEG.	Aug-93	SO CAL GAS AND SANTA FE ENERGY RESOURCES, INC.	GAS SERVICE CONTRACT
CA-KERN		CA501300	9/19/32	CHEVRON U.S.A.	PROCESSING
		CA543001	3/31/89	TEXACO GAS MARKETING	GAS PURCHASE
		GP100800		MERIDIAN OIL TRADING	GAS PURCHASE
		GP101500	10/1/96	VANTUS ENERGY	GAS PURCHASE
		GP101000		REDWOOD RESOURCES	GAS PURCHASE
			1/7/91	ALTAMONT GAS TRANSMISSION CANADA	AGREEMENT
MT-PORT OF WILD HORSE			11/15/91	AMOCO CANADA PETROLEUM CO. LTD.	GAS PURCHASE
MT-PORT OF WILD HORSE			1/7/92	NOVA CORPORATION OF ALBERTA	FIRM TRANSP
CA			09/25/96	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX ORDER AGREEMENT
CA	5201 TRUXTUN, BAKERSFIELD, CA	PR-01 CA-LEG.	1/4/91; AMO'D 9/20/96	COMMERCE DRIVE PARTNERS AND SANTA FE ENERGY RESOURCES, INC.	OFFICE LEASE
CA. KERN	BELBRIDGE, S.	PU-82 Belridge CA-LEG.	2/25/95	GE CAPITAL MODULAR SPACE AND SANTA FE ENERGY RESOURCES, INC.	OFFICE LEASE
CA. KERN	MIDWAY	PU-82 Midway CA-LEG.	7/7/95	GE CAPITAL MODULAR SPACE AND SANTA FE ENERGY RESOURCES, INC.	OFFICE LEASE
CA. KERN	MIDWAY (PREMISES KNOWN AS 12130 MORA DR., UNIT 1)	CA-LEG.	8/7/96	O'DONNELL/SANTA FE SPRINGS II AND SANTA FE ENERGY RESOURCES, INC.	OFFICE LEASE
CA. LOS ANGELES	ROSECRANS	PR-02 CA-LEG.	4/1/96; addendum dated 2/17/96	AVALON BUSINESS INVESTORS AND SANTA FE ENERGY RESOURCES, INC.	OFFICE LEASE
CA	ALL SANTA FE OFFICES	HOU - OFF. SERVICES	8/15/95	COPYRIGHT CLEARANCE CENTER, INC. AND SANTA FE RESOURCES, INC.	PHOTO LICENSE RENEWAL RE 8/15/95 ANNUAL AUTHORIZATION SERVICE
CA	BAKERSFIELD DIV. OFFICE 5201 Truxtun Ave	PR-02 SF-CA-0215 CA-LEG.	11/11/93	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	AMENDMENT INSTALLATION PURCHASE OR LEASE AGREEMENT
CA	BAKERSFIELD DIV. OFFICE 5201 Truxtun Ave	PR-02 SF-CA-0199 CA-LEG.	11/16/99	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX FINANCING STATEMENT
CA	BAKERSFIELD DIV. OFFICE 5201 Truxtun Ave	PR-02 SF-CA-0218 CA-LEG.	1/23/90	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX ORDER AGREEMENT
CA	BAKERSFIELD DIV. OFFICE 5201 Truxtun Ave	PR-02 SF-CA-0219 CA-LEG.	1/23/90	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX ORDER AGREEMENT
CA	BAKERSFIELD DIV. OFFICE 5201 Truxtun Ave	SFER 0381 CA-LEG.	4/25/96	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX ORDER AGREEMENT
CA	BAKERSFIELD DIV. OFFICE 5201 Truxtun Ave	SFCA 0389 CA-LEG.	4/1/96	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX ORDER AGREEMENT (xerox copier)
CA. KERN	BELBRIDGE, S. FIELD OFFICE	0375 CA-LEG.	6/17/94	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX ORDER AGREEMENT
CA	CA-BAKERSFIELD	SFER-0376	12/01/95	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX ORDER AGREEMENT
CA	CA-BAKERSFIELD	SFER-0391	06/28/96	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX FAX AGREEMENT
CA	CA-MIDWAY DIST. OFF.		07/01/96	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	FAX COPIES AGREEMENT
CA	CALIFORNIA	HOU - PURCHASING	1/4/1993; AS AMO'D 1/6/93	MCCULLAUGH LEASING, AS LESSOR, AND SANTA FE ENERGY RESOURCES, INC., AS LESSEE	MASTER LEASE AGRMT. (VEHICLES)
CA	CALIFORNIA	HOU - PURCHASING	2/12/1996; AMO'D 2/12/96	ALLIED LEASING COMPANY, AS LESSOR, AND SANTA FE ENERGY RESOURCES, INC., AS LESSEE	LEASE AGREEMENT (FINANCE) (VEHICLES)

J. L. P. M.

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CONVEYANCE AND CONTRIBUTION AGREEMENT FROM SANTA FE ENERGY RESOURCES, INC. TO MONTEREY RESOURCES, INC.

ST. & CO.	AREA/PROSPECT NAME	CONT. #	CONT. DATE	CONTRACT PARTIES	TYPE CONTRACT
CA	CALIFORNIA	HOU - PURCHASING	11/22/85; AMD'D 12/1/1985	NATIONS BANC LEASING CORPORATION, AS LESSOR, AS SANTA FE ENERGY RESOURCES, INC.	MASTER EQUIPMENT LEASE AGREEMENT
CA	CALIFORNIA	HOU - PURCHASING	6/19/84	SANTA FE ENERGY RESOURCES, INC., AS CONTRACTOR, AND HOWARD SUPPLY COMPANY, AS CONTRACTEE	CONTRACT WORK AUTHORIZATION RE 7/7/83 MASTER CONTRACT
CA	CALIFORNIA	HOU - PURCHASING	11/11/84	SANTA FE ENERGY RESOURCES, INC., AS LESSOR, AND HOWARD SUPPLY COMPANY, AS LESSEE	COMMERCIAL LEASE AND AGREEMENT
CA	CALIFORNIA	HOU-MIS	3/1/80	DALTON INTERNATIONAL INC. AND SANTA FE ENERGY RESOURCES, INC.	LEASE AGREEMENT
CA, FRESNO	COALINGA FIELD OFFICE	0374 CA-LEG.	9/29/84	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX ORDER AGREEMENT
CA, FRESNO	COALINGA FIELD OFFICE	SFER 0378 CA-LEG.	2/22/85	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX ORDER AGREEMENT
CA	COVERS CA., LA., N.M. & TX. OFFICES	HOU - OFF. SERVICES	NO DATE	BROADCAST MUSIC INC. AND SANTA FE ENERGY RESOURCES, INC.	MUSIC PERFORMANCE AGREEMENT
CA, FRESNO	GARDENA FIELD OFFICE	SFER 0377 CA-LEG.	1/17/85	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX ORDER AGREEMENT
CA, KERN	KERN FRONT FIELD OFFICE	PR-02 SF-CA-0370 CA-LEG.	12/15/83	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX ORDER AGREEMENT
CA, KERN	MIDWAY FIELD OFFICE	Xerox Contract SFER 0385 CA-LEG.	12/5/85	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	AMENDMENT TO INSTALLMENT PURCHASE OR LEASE AGREEMENT
CA, KERN	MIDWAY FIELD OFFICE	PR-02 SF-CA-0213 CA-LEG.	12/15/85	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX ORDER AGREEMENT
CA, KERN	MIDWAY FIELD OFFICE	SFER 0378 CA-LEG.	2/18/85	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX ORDER AGREEMENT
CA, KERN	MIDWAY FIELD OFFICE	SFER 0387 CA-LEG.	12/5/85	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX ORDER AGREEMENT
CA, KERN	MIDWAY WAREHOUSE	SFER 0386 CA-LEG.	12/5/85	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX ORDER AGREEMENT
CA, ORANGE	OLINDA (BREA) FIELD OFF.	SFCA 0390 CA-LEG.	4/8/86	XEROX CORPORATION AND SANTA FE ENERGY RESOURCES, INC.	XEROX ORDER AGREEMENT (xerox copy)
CA		CA-LEG.	02/01/86	OIL, CHEMICAL AND ATOMIC WORKERS INTERNATIONAL UNION AFL-CIO AND SANTA FE ENERGY RESOURCES, INC.	LABOR UNION CONTRACT